

## APPENDIX 1

CORPORATE RISK REGISTER

This register summarises the Council's most significant risks which align to one or more Corporate Priority. 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. The relevant Portfolio Holder for each risk category is also highlighted.

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

Content reviewed October 2018 by the Internal Audit Manager

PREVIOUS RAG	CURRENT RAG	RISK / IMPACT (WITH REFERENCE TO CORPORATE PRIORITY)	LIKELIHOOD OF RISK	IMPACT OF RISK	LEVEL OF RISK (to evaluate)	CONTROLS	OUTSTANDING ACTIONS	RISK OWNERSHIP	TARGET DATE	PROGRESS /REASONS WHERE NOT IMPLEMENTED
		1. If Health and Safety fails it could result in death or serious injury to staff /public and legal action against the Council, with associated reputational damage <b>(CLEAN &amp; SAFE ENVIRONMENT)</b>	2	4	4	Approved Health and Safety Policy. Health and Safety Plan. Health and Safety at Work Regulations. SHE (Safety Health and Environment) system with dedicated training . Health, Safety and Insurance Risk Manager. Dedicated Health and Safety Officer in Neighbourhood Services. Managers have a legal requirement to conduct regular risk assessments. Staff Induction training. Annual reminders to complete/update health and safety risk assessments (DSE, Homeworking, and Service). From January 2018, annual health and Safety checklist , activity and compliance programme for Managers. Health and Safety Champions and meetings. Personal Safety Training and Lone Worker protection process. IOSH training provision and Champions encouraged to attend. The robustness of inspections and site monitoring is periodically discussed at the Corporate Risk Management Group.	1i. Recommendations raised in an Internal Audit review of January 2017 are being pursued . There is scope to tighten up controls relating to training, procedures and the 2017 Management activity/compliance programme 1ii. The inspection process across the authority needs to made more robust - regular inspections/site monitoring to be carried out and consistently documented to ensure evidence is available. 1iii A project is due to be undertaken to enhance the efficiency of the SHE system (health and safety management).	HSIRM/ SEHM/ MAT/ All Group Heads * Cllr Boughtflower	31 October 2018 *R Requires Monitoring	1i. <b>Partially Implemented &amp; Progressing.</b> Further documentation and development of Health and Safety Procedures is ongoing. (No updates received) 1ii. <b>Partially Implemented &amp; Progressing</b> . Health and Safety Committee meets monthly consisting of all senior managers in Neighbourhood Services and the Health, Safety and Insurance Risk Manager. Much work has been undertaken to address the shortfalls in the inspection process with ongoing improvements in health and safety monitoring . The restructure of the parks team is nearing completion and greater control measures for supervision and inspection of this area are currently being developed. 1iii. <b>Commenced</b> Some changes have been made to SHE to make it more user friendly. SHE user guidance notes are being written. (No updates received)
		2. If there was a major Disaster in the borough, e.g. flooding, this may result in significant strain on council services <b>(CLEAN &amp; SAFE ENVIRONMENT)</b>	2	4	4	Performance monitoring by Commissioning and Transformation. Ongoing provision of Emergency Planning support is being reviewed. Corporate Emergency Plan in place with review underway(October 18). Multi- agency flood plan reviewed January 2018. Membership of Local Resilience Forum (LRF). Regular testing of Emergency Assistance Centre plan. Borough Emergency Centre (BEC) Plans and staff training in 2017. Staff feedback considered in updates to (BEC) plan and equipment. Incident management and Multi-Agency training. Prevent Strategy training and awareness (March 2017). Ongoing provision of Emergency Planning support has been reviewed (2018) and the procurement process completed.	2i. The Corporate Emergency Plan is currently being updated and reviewed . (NEW)	CX (DM)/ GH C & T* Cllr Harman	Completed/ Ongoing Monitoring	<b>NEW ACTION</b>
		3i. If performance at corporate and service level is not effectively managed then the authority could fail to deliver priorities, objectives and targets. 3ii. If there is failure to align service objectives to corporate priorities and objectives this could result in services not meeting residents /stakeholder needs. <b>(ALL PRIORITIES)</b>	2	3	3	Corporate Planning process incorporates a vision, priorities and targets. Monitoring by Members and Management Team. Service Planning and review process. Individual Service Plans should consider the Council's Corporate Priorities and statutory/other responsibilities (this is in the guidance). Service performance monitored by Management Team. Individual performance monitored through 1 to 1's and the appraisal process. Appraisal timetable. Priority Flagship project performance is reported regularly to Management Team and Members. Previous internal audit review of Performance Management. Corporate Annual Report for 2017/18 reported to Cabinet in July 2018.	3i. Service Planning for 2018/19 is due to be undertaken. 3ii. To initiate process for 2019/20 Service Planning in February 2019. (NEW)	MAT / DCX LO/GH C & T /Group Heads * Cllr Boughtflower	i. Completed/ Ongoing Monitoring ii. 31 March 2019 * O Requires Monitoring	3i. <b>Implemented.</b> The 2018/19 Service planning has taken place. 3ii. <b>NEW ACTION</b>

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		4. If there are inadequate project management arrangements (including lack of resources and relevant expertise or skills), then outcomes are unlikely to meet community/ service needs or projects fail to be delivered on time/ to budget. If projects do not incorporate sufficient governance standards, then this could result in poor decision making and unclear justification for actions, resulting in potential challenge (ALL PRIORITIES)	2	3	3	Project governance framework/methodology is held including processes for project initiation, resource planning, risk assessment, and progress reporting processes. Corporate Project Register updated as necessary. Corporate Project resource is in place but ownership for ensuring that project documentation is completed, resource implications assessed and necessary control processes are applied rests with Project Managers and Sponsors. Priority Flagship project performance is reported weekly to Management Team and includes asset acquisitions and development projects. 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.	4 i Management team to consider limited capacity and revenue implications prior to approving additional / new projects. (Ongoing) 4ii . Whilst the Council has a proportionate project governance framework, consistent and proportionate application of project governance arrangements are required to contribute to the likely success of projects whilst reducing potential risks of delays and overspend. Effective governance should incorporate the necessary structures and processes to support key decisions and approvals, promote the need for robust project plans, monitor progress of the project against pre-determined plans and milestones, and include regular effective reporting to Management Team and where appropriate relevant committee.	MAT/GH C&T /Group Heads* Cllr Boughtflower	31 January 2019 * R Requires Monitoring	4i. <b>Ongoing.</b> Approx. 35 projects are currently being tracked through the Project Office . Resourcing of projects remains an ongoing challenge as officers are often balancing several work tasks. Through the root and branch review of Services, the Commissioning and Transformation team will continue to identify projects and resources required but also improve processes and systems to assist the organisation's capacity and resilience. (This also links in with risk categories 8 & 9 below). 4ii. <b>In Progress</b> - The Group Head for C & T has advised that amendments to project documentation have been completed and are to be rolled out to assist in any start up process and project monitoring. Revised Project Management Dashboard reported to Overview and Scrutiny Committee. Regular weekly reporting to Management Team on the status of projects has been introduced, enabling improved oversight and an opportunity to highlight any issues/actions required.
		5a. Information Governance risks relating to organisational measures. Non compliance with data protection legislation. Information could be processed inappropriately resulting in breaches of the DP legislation, Information Commissioner fines, reputational damage, and loss of public confidence. Potential to breach Freedom of Information (FOI) Act resulting in disclosure of personal data or commercial sensitive data, and ICO enforcement. (ALL PRIORITIES)	4	4	4	Mandatory data protection online training on a yearly basis. In house (more specific) training for staff continues as requested by services; supplemented by external training. Member training. Data Protection Officer (trained and experienced) provides ongoing guidance on the Data Protection Act (2018), and the Privacy and Electronic Communications Regulations. Information Governance structure agreed by MAT and made available on Spelnet; this identifies the Senior Information Risk Owner (SIRO) and lines of responsibility for Information Assets. Data protection compliance plan for services agreed by MAT+ and distributed to Group Heads and Managers to progress data protection compliance within service lines.  FOI requests: FOI online training and guidelines, FOI process flowchart.	5i. Data Protection Officer to pursue plan to ensure information assets are identified and managed (REVISED). 5ii. Raise awareness of Information Governance and the requirements of the DP legislation amongst staff and members. Identification of detailed training requirements in services. 5a). 5iii. Information flows to be mapped and Information Asset Owners to be identified. (SEE ALSO FURTHER ACTIONS BELOW)	GH C & T *IGO * All Portfolio Holders	31 January 2019 * R Requires Monitoring	5i. <b>Partially implemented</b> - The Data Protection Officer has produced a detailed work plan to work towards GDPR compliance. There is considerable work to be done in many Service Lines. A temporary administrator has been employed on a 9 month contract and is currently being trained. A data protection plan for services, which identifies the work required (with associated deadlines) in order to achieve compliance with data protection legislation has been approved by MAT+ and circulated to Group Heads and Managers. 5ii. <b>Implemented &amp; Ongoing</b> : The level of data protection awareness in the Council continues to increase. 5iii. <b>In Progress</b> - Process flows are being mapped as part of the Route & Branch review being undertaken by the Projects team which will significantly assist with mapping data flow.
		See above (Continuation of risk category 5a).				See above (Continuation of risk category 5a).	See above (Continuation of risk category) 5iv. An Internal Audit review of GDPR preparedness was undertaken in April 2018 highlighting the position and recommending improvement actions. In particular there are lessons around resource planning and application of corporate project processes, which are currently being considered by Management. 5v. Group Heads to ensure that the Data protection compliance plan for services is followed to progress compliance within service lines. This plan includes identification of information assets and data mapping (relates also to 5i & 5iii above) (NEW) 5vi. Implement mandatory FOI training and raise awareness of Public Sector Information Regulations.			5iv. <b>In Progress</b> - Some recommendations are being addressed and overlap to some degree with other actions in this category. 5v. <b>New Action in Progress</b> - Work has started on the data protection compliance plan in some services. 5vi. <b>Implemented</b> ; an online FOI module, a process map for FOI and templates for response text are available.

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		5b Information Governance risks relating to technological measures. If security breaches occurred this may cause system failure, non compliance with various information legislation which might lead to Information Commissioner fines/enforcement and reputational damage, with loss of public confidence. <b>(ALL PRIORITIES)</b>	2	4	3	Data Back up and continuity arrangements managed by ICT and tested by Managers. ICT security policies and security alerts. Personal Commitment statement required from staff on appointment. ICT security group assess ongoing risks. Series of Security Awareness updates conducted in October 2017 for all staff and a representative from the Cyber Crime Unit raised specific awareness of Cyber crime in July 2018 (mandatory session). Information Governance Group. Information Governance Officer in post. Further ICT Disaster Recovery test conducted in November 2017 (successful).	NONE	GH C & T*/DHICT * Cllr Boughtflower	Completed/Ongoing Monitoring	N/A
		6. Failure to meet the minimum security requirements of the Government's Public service Network resulting in termination of connection to any other government sites/data; unavailability of ICT systems impacts service provision; unauthorised creation & amendment of records for fraudulent purposes; inadequate measures to combat cyber security attacks or respond effectively resulting in reputational damage and financial losses <b>(ALL PRIORITIES)</b>	2	3	3	National Cyber Security Strategy. A review group assesses compliance with security requirements - Public Service Network (PSN). Successful certification of the Public Service Network (PSN) compliance. Security measures include firewalls, encryption, egress, black-listing of memory stick, CD's and DVD'S, 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, with all risks flagged up addressed (last exercise February 2018). Mimecast e-mail filtering software in place. Disaster Recovery plan for ICT developed alongside Applied Resilience. ICT Strategy consistent with the core objectives of the Council. Network refresh undertaken. System Administrators are currently assigned for each key application system, with privileged access rights to undertake relevant duties.	6i. As System Administrators also have operational and processing roles within the associated service area, this lack of segregation of duties (between operations and administration) increases associated risks of fraud or error. This is a longstanding issue and will be considered further as part of the review of the ICT function. 6ii Management Team to acknowledge the risks highlighted above at action 6i and keep under ongoing review. (NEW)	DHICT *Cllr Boughtflower	31st January 2019 R* Requires Monitoring	6i. <b>In Progress</b> - The role of system administrators and where they should sit is to be reviewed as part of a "root and branch" review in early 2018-19 of ICT arrangements. It has also been considered as part of the recent independent review of the ICT function, recommending that system Administrators remain within service areas although the review does recommend closer working between ICT and system administrators. Discussions with the ICT Manager have also confirmed that anyone with Systems Admin rights has the ability to grant themselves processing functionality - regardless of whether they are part of the front end service or support the back end ICT function and therefore it is very difficult to achieve full segregation of duties. Internal Audit have highlighted the importance of applying compensating controls given that the risks set out at 6i prevail and will liaise with ICT as necessary to promote the message.
		7. Ineffective business continuity planning to cover loss of building, equipment, ICT or staff could lead to loss of service or disruption in a real scenario <b>(CLEAN &amp; SAFE ENVIRONMENT)</b>	2	3	3	New contract in place from September 2018 for ongoing provision of Business Continuity Planning support . Performance monitoring by Commissioning and Transformation. Business Continuity (BC) Policy . Corporate Business Continuity Plan and Service Level plans. The BC Forum oversees progress of BC planning. Business Impact Assessments . Emergency protocols for loss of building access/loss of power/loss of ICT are being developed. Emergency messaging system for staff. Telephony resilience. Key responders - Incident Management Team and recovery team.	7i. Management Team are keen to undertake a fire evacuation procedure combined with a scenario where re-entering the building is not possible. 7ii. Management Team have highlighted that bomb awareness procedures require updating 7iii. Ongoing provision of Business Continuity Planning support is being reviewed with the Procurement Officer leading on the re-tendering process.	GH C & T*	31 January 2019 R* Requires monitoring	7i Outstanding. 7ii. In progress. 7iii. <b>Implemented</b> - A new contract is now in place with the previous postholder (with effect September 2018). Service level business continuity plans are being reviewed and updated.
		8. If there is over reliance on individual officers then in the event of absence or departure this may cause a gap in technical/systems knowledge and expertise, with subsequent failings in delivery of functions/ services <b>(ALL PRIORITIES)</b>	3	3	3	Business continuity arrangements to cover loss of key staff. Critical procedures should be documented and staff appropriately trained. Any weaknesses in resilience arrangements should be highlighted in the service planning process. In some service areas greater resilience is being built into teams with some individuals taking on a variety of roles. (An example of this is the Project Officer/Committee Manager within the Commissioning and Transformation team)	8i. Management Team to keep resilience arrangements under review. 8ii. Root and Branch service reviews are underway giving consideration to resilience, resourcing and capacity. (NEW)	MAT/ Group Heads/ GH C & T * All Portfolio Holders	Completed/Ongoing Monitoring	8. <b>Commenced</b> . Resilience will be one of the issues considered as part of the root and branch service reviews being undertaken in 2018/19.

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		9. If increased service demands coincide with a lack of staff resources/capacity to deliver then this may result in reduced morale, high staff stress levels, delays and errors, increased turnover, with subsequent failings in delivery of services <b>(ALL PRIORITIES)</b>	2	3	3	Short term reductions in capacity are accommodated by prioritisation and reallocating work . Longer term impacts and changes to demand may be more difficult to address. Employment arrangements and staff support mechanisms. Market supplements/allowances to assist with recruitment and retention. Training and development. (Recent training for Managers on Practical Workplace Mediation Skills and Mental Health Awareness for Employers) Performance management systems, (appraisals, one to one's). Regular staff meetings. Stress audits (risk assessments) can be arranged if necessary. Human Resources reporting to MAT. Significant investment was built into the 2017-18 & 2018-19 budget to address resourcing.	9. <i>Management Team to keep resourcing levels under review.</i> <i>(See action at 8ii above )</i>	MAT *Cllr Boughtflower	Completed/Ongoing monitoring	9. <b>Partially Implemented.</b> Additional staffing resource has been approved for some service areas (HR, Legal, Independent Living). The Council is considering a move to local arrangements for deciding pay awards and to local terms and conditions of employment rather than continuing with the current nationally agreed pay awards and conditions. This is subject to a consultation process currently underway. Root and branch review of services have commenced in order to identify efficiencies and capacity issues which can be resolved to improve organisational performance and resilience .
		10. If there are prolonged staff vacancies due to inability to recruit, then this may result in a failure in service delivery <b>(ALL PRIORITIES)</b>	3	4	4	Market supplements awarded to certain roles when recruiting. Recruitment and retention allowances. Posts advertised with Surrey Jobs as well as a wider network of job sites. Specialist websites are also used to advertise posts where necessary. Annual report summarising staff recruitment and turnover. National apprenticeship scheme.	10i. <i>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.</i> 10ii. <i>Implementation of requirements relating to the national apprenticeship scheme.</i> 10iii. <i>Human Resources to monitor the effectiveness of measures taken to improve recruitment and retention across the authority , in collaboration with Services.</i>	MAT/Group Heads/ GH C & T/HRM * Cllr Boughtflower	31 January 2019 R * Requires monitoring	10i. <b>Ongoing</b> 10ii. <b>Implemented</b> - Management Team endorsed a decision for the Apprenticeship Levy to be spent mainly on upskilling internal employees mainly. There will be some recruitment of new apprenticeships under the levy, and progress is being made in taking on external apprenticeships. 10iii. <b>Ongoing.</b> This area is to be kept under review with proposed move to local pay. For appropriate areas allowances for recruitment and retentions are in place for 2018/19 and this is subject to annual review.
		11a. Procurement - If governance arrangements are weak with a lack of transparency, this could result in any of the following: financial penalties for non-compliance with legislative requirements; contractual disputes and claims through poor specifications; contractors/partners failing to deliver expected outcomes; reputational damage, challenge and poor VFM. <b>(This section links also with section 4 above - Project Management) (ALL PRIORITIES)</b>	3	3	3	Contract Standing Orders (April 2016). Contract guidelines with compliance checklist. Requirement for declaration of interests (Officers and Members). Corporate Procurement training last provided in October 2014. E-procurement system in place and contracts sourced with this solution. Procurement strategy and action plan to facilitate monitoring. Developing improved reporting systems. Procurement Officer in post providing support, advice and steer for procurement processes. Enhanced monitoring for key suppliers now added to the S&P Watch list to enable concerns to be picked up pro-actively	11i. <i>Full compliance with the Local Government Transparency Code is required and should be confirmed once achieved.</i> 11ii. <i>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.</i> 11iii. <i>Implement a programme of training for contract managers where the principles of Contract Standing Orders and Contract Checklist form the core element of the learning.</i> 11iv. <i>The future of the Procurement Board to be considered as part of a review of all boards across the authority.</i>	MAT DCX (TC)/ Group Head C & T *Cllr Boughtflower	31 January 2019 R * Requires monitoring	No further updates have been received in this area. 11i, 11ii & 11iii . <b>Partially Implemented.</b> Proposed actions are being 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. Documentary evidence of procurement processes followed and performance monitoring is now being addressed. The Group Head for C & T envisages further improvements with the support of the Procurement Officer and a service level monitoring officer at the Depot . 11iv. <b>Partially implemented.</b> A decision as to whether the board continues has been incorporated into the Action Plan and this will also be considered through the Project Governance process and liaison with service areas.

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		11b. Major Procurement - A lack of ongoing forward planning in preparation for the expiry of existing Leisure Centre arrangements in 2021 may result in delays in delivery of key project milestones and provision of leisure facilities to the community. If the project is not effectively managed, this could result in overspends, delays and significant ongoing strain on the Council's financial resources. <b>(This section links also with section 4 above - Project Management)</b>	3	3	3	Current Leisure centre operator contract ends 2021. "Leisure Centre Needs Analysis" submitted to MAT in 2014 and updated in 2017, which endorsed the recommendation to carry out a feasibility study. A high level discussion document was presented to Cabinet in October 2016 and a project team formed. Project Sponsors and Project Managers identified. Project related documentation. Risk Register. Councillors and staff kept informed of key progress milestones, requirements and timeframes . Feasibility study completed March 2018 by specialist Advisors, design brief signed off and public consultation undertaken in summer 2018 .	11bi. Assessment of possible sites for the new leisure centre is under consideration with further proposals for consultation to be issued in due course . (NEW) 11bii. An internal audit review has commenced.	Dcex (LO)/ Group Head CW* Cllr Attewell	31 January 2019 R * Requires monitoring	<b>In Progress</b> - Current completion of the project is estimated mid-2021, based on an assumption that Planning Permission will be granted late 2018. (This information was provided previously by Jayne Brownlow - please confirm this is still the case or whether estimated dates have changed ? ) RM to provide updated timeframes.
		12. External factors including national housing shortage , insufficient affordable properties, London Boroughs increased use of Spelthorne properties and welfare reforms such as Universal Credit may all increase pressures on the Housing Service, resulting in staff retention issues. Ongoing uncertainty over recovery of outstanding Housing Benefit debt. <b>(HOUSING )</b>	3	3	3	Group Heads/ MAT/Members are aware of ongoing risks in this area. Staff recruitment and retention allowances applied in 2017. Universal Credit expected end of 2018. Housing Benefit overpayment debt being recovered, albeit repayments are often small due to Housing Benefit regulations. Discretionary housing payments Corporate Debt Group and Strategic Housing Group. Internal audit review (March 2018) considered the authority's readiness for the homelessness legislative changes of April 18 and recommendations have been implemented. Officers and A2D continue to work with families affected by the benefit cap. Close working with private landlords. Landlord guarantee scheme. Various projects underway to ensure strategies are followed. Knowle Green Estates (subsidiary) set up in May 2016 focusing on Housing Delivery.	12i. Management Team to continue to monitor the ongoing pressures facing the Housing Service (including impact of County Council cuts and statutory changes).	MAT / Joint Group Heads CW * Cllr Francis	Completed/ Ongoing Monitoring	12i. Ongoing. Management have assured that audit recommendations relating to the Homelessness Reduction legislation have been implemented.
		13a. Uncertainty over economic growth and supplier failure could impact on: • Delivery of contracts and services • Business Rate income collected/retained , thereby affecting the Council's overall finances. <b>(ECONOMIC DEVELOPMENT &amp; FINANCIAL SUSTAINABILITY)</b>	2	3	3	Financial Services monitor the financial media in relation to larger companies and critical commercial partners. Enhanced Monitoring arrangements implemented as key suppliers now added to the S&P Watch list . Aim to maximise Business Rate collection/minimise losses for the Council. Additional quarterly monitoring of collection and projected outturn retention implemented . Additional counter fraud resource is available to identify and investigate potential tax avoidance and evasion cases, which can be translated into cashable savings for the authority. (Being pursued under Corporate Counter Fraud work).	13i. Impact of Business Rate arrangements on Council finances is under ongoing review. 13ii. Spelthorne are participating in the 100% retention of business rates pilot for 2018/19 providing further incentive to maximise income collection	DCX (TC)/Acting Group Head CR * Cllr Barnard & Cllr Williams	Completed/ Ongoing Monitoring	13i. <b>Implemented and ongoing</b>

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		13b. If the Economic Development Strategy fails to be implemented, this could impact on growth <b>(ECONOMIC DEVELOPMENT)</b>	2	3	3	Regular reporting to Members. A 5 year economic assessment & development strategy for 2017 - 2022 (previous audit recommendations were taken into account). Economic Development Strategy is reviewed every three years. Annual review of the strategy including targets. A Business Improvement District for Staines-upon-Thames with charges applied. Identification of Spelthorne's top 20 businesses.	<i>13bi. Economic development is a Council priority and growth will impact on business rate income - this is under ongoing review.</i> <i>13bii. 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.</i>	DCX (TC)*/GH R & G*/ EDM* <b>Cllr Barnard</b>	Completed/ Ongoing Monitoring	13bi & ii. <b>Implemented and ongoing review.</b> Annual review of the Economic development strategy is complete and was recently approved by the Economic Development Engagement Group. Prioritisation of projects to benefit from the business rates retention has been completed.
		14. If there was failure to comply with statutory duty / adhere to Safeguarding Policy, (including failure by County to address Spelthorne referrals), this could lead to death or injury to a child or vulnerable adult, resulting in legal action and reputational damage. <b>(CLEAN &amp; SAFE ENVIRONMENT)</b>	2	4	4	Council has statutory responsibility for safeguarding children and Adults. Approved and publicised Safeguarding policies and procedures. Staff and Member training. All referrals to Surrey County Council should be reported to a nominated Spelthorne Officer. Regular liaison with the Head of the MASH team, Surrey County Council and the Surrey Safeguarding Children's Board (SSCB). Annual Section 11 audit. Escalation of any cross border referrals/ issues to the senior safeguarding managers. Liaison with Human Resources for training purposes and DBS checks. Online safeguarding training module and cascade training. Procedure to deal with the Multi Agency Safeguarding Hub (MASH) enquiries. Spelthorne is represented on the new Early Help Advisory Board by the Deputy Chief Executive.	<i>14i. Officers are currently undertaking the statutory children's Safeguarding audit which is completed annually.</i>	DCX (TC)/LSM/LM/Joint Group Heads - CW * <b>Cllr Attewell</b>	30 November 2018 R * Requires monitoring	14. The statutory audit is currently being undertaken, to be completed by 31 October 2018. As part of this a review of training records has been carried out and a reminder issued to Managers to check that Disclosure and Barring checks are up to date.

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		15. In light of ongoing reduction in Central Government funding, if opportunities for significant income generation and investments are missed, then this will impact on the Council's ability to close the budget gap and deliver vital services. If weak governance arrangements prevail, this may contribute to poor investment outcomes and increase exposure to financial risk including loss of anticipated rental income and poor investment returns. <b>(FINANCIAL SUSTAINABILITY)</b>	3	4	4	Long term strategic/financial plan. Corporate Plan / priorities reviewed. Member engagement. The Council is applying innovative ways to fund services and create new revenue streams through significant commercial asset acquisitions and investments. Since September 2016 an additional ongoing annual net income of £9.5m has been generated from commercial asset acquisitions. This has enabled a balance budget to be set for 2018-19 and to make revenue contributions towards capital to put capital programme financing on a more sustainable basis. Investment Asset Strategic Parameters approved by Council in December 2017. Advice is sought from the Treasury Management advisors as appropriate. Thorough due diligence undertaken with respect to leases and acquisitions and with respect to evaluating strength of covenant of tenants- now using S&P to evaluate. A second set of advisers used to independently assess the robustness and appropriateness of modelling assumptions for acquisitions. A robust governance framework is being developed and continues to support property acquisitions and investment processes, to include 1. Asset Governance framework and action plan; 2. Property Investment Strategy; 3.DIG meet weekly to track project progress plus a Councillor led Investment and Development Committee; 4. Revised regulatory investment guidance (Feb 18) requires LA'S to develop quantitative indicators to assess a local authority's total risk exposure as a result of its investment decisions, with reporting on Prudential indicators; 5. Presentation by the Portfolio Holder for Finance and DCX (TC) to O & S on the council's approach to management of risk; 6. Robust Treasury Management Strategy; 7. Weekly update to MAT on status of Priority Flagship projects(incl. commercial asset acquisitions).	15i. A robust governance framework continues to be developed to support property acquisitions and investment processes. 15ii. Robust and effective systems need to be in place to record and recover significant rental income due to SBC from it's increased property portfolio. 15iii. In view of the level of development work being undertaken as a result of property acquisitions, robust monitoring arrangements need to be in place (NEW)	MAT/GH R & G* Cllr Williams	31 January 2019 R * Requires monitoring	<b>15i. Implemented/ Ongoing</b> . Planned reporting of prudential indicators has taken place and went to the Development and Investment Group (DIG), with formalised reporting to take effect once the Property Management System is operational. The Council is currently developing a Capital Strategy which will have assets and property at its core. This is a new document required by the Regulations providing a single narrative explaining the long term capital expenditure needs, the authority's approach to investments and how risk is managed. This will go to Overview and Scrutiny in November as a draft before going to Council in December for approval. <b>15ii. Some Progress.</b> The Property Development Managers and additional resource within the PDU are involved in setting up and implementing such systems, in close collaboration with other Services such as Corporate Governance, Customer Services and Finance. Work is underway to deliver a Property Management System that enables the Property Manager to effectively manage Spelthorne's property portfolio (investment, community, commercial and residential properties). It is intended that any such system covers asset management, recording and collection of rental income due, debt management and supplier management processes. A high level business requirements document has been prepared and a business case drafted. Process Mapping workshops have also been held and are being considered further as part of the Root and Branch review. <b>15iii.</b> The Group Head for Regeneration and Growth has advised on monitoring arrangements, for example quality control undertaken by professionals. A note is being prepared for Audit Committee.
		16. If there is reduced service capacity then this may result in greater instances of error, loss, fraud, theft , irregularity, all representing a loss of internal control. <b>(ALL PRIORITIES )</b>	3	3	3	Management as the first line of defence in the overall assurance framework 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 which is promoted by Internal Audit where deemed appropriate. In some areas additional resources have been provided and key governance roles have also now been in place for some time such as a Procurement Officer and Information Governance Officer.	16i. A recurring theme across some service areas is resourcing constraints often combined with weak resilience arrangements. These are often highlighted as reasons for controls and governance processes being compromised within functions/corporate systems and processes. Associated with this is a lower level of assurance and therefore MAT need to keep this area under review. 16ii. Effective reconciliation exercises between key financial systems represent a fundamental financial control and need to be carried out regularly to enable prompt identification and investigation of discrepancies, errors and potential fraud. Adequate staff contingency arrangements need to be built into the process.	Group Heads/ MAT All Portfolio Holders	31 January 2019 R* Requires monitoring	16. i. <b>Some progress</b> - Additional growth to provide additional resources in HR, Accountancy, Legal and Property was built into the 2018-19 budget and various appointments have since been made. Resilience is being considered as part of the root and branch service reviews during 2018/19 (these service reviews have commenced). 16ii. <b>In progress</b> - This has been acknowledged by the Accountancy team with additional resource now in place to support such tasks. (No further updates have been received in this area)

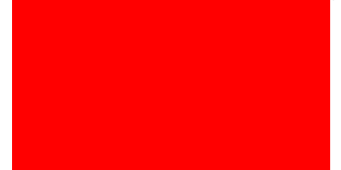
PREVIOUS RAG	CURRENT RAG	RISK / IMPACT REFERENCE TO CORPORATE PRIORITY (WITH)	LIKELIHOOD OF RISK	IMPACT OF RISK	LEVEL OF RISK (to evaluate)	CONTROLS	OUTSTANDING ACTIONS	RISK OWNERSHIP	TARGET DATE	PROGRESS /REASONS WHERE NOT IMPLEMENTED
		17. In light of the changing political landscape & Brexit, this represents many potential uncertainties of a staffing, financial and regulatory nature arising from currency devaluation/volatility, trade, investments, relocation of Partners/Suppliers, changing access to EU funds, level of compliance with EU regulations , workers rights (EU Nationals). These could all impact on existing policies, procedures, and processes. <b>ALL PRIORITIES</b>	3	3	3	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 .	17i. MAT to periodically consider potential Brexit uncertainties for Spelthorne and have a plan in place to address.	MAT All Portfolio Holders	31 December 2018 R * Requires monitoring	17i. <b>Some progress</b> - The Group Head for Commissioning and Transformation prepared a summary briefing note to MAT/Cabinet/Audit Committee in August 18 on possible implications of a Brexit "no deal" on the Council which will be updated as more information appears. This note highlighted the potential indirect impact in terms of skills shortages with implications for increased costs and timings, particularly in the construction and social care sectors.
		18. If the Council receives a poor return on long term investments and/or investments become insecure in the current climate, then this will have an adverse impact on the Council's financial position. <b>(FINANCIAL SUSTAINABILITY)</b>	2	3	3	Treasury Management Strategy approved annually by Members. Aim to select counter parties of the highest credit quality; credit ratings monitored closely and apply criteria recommended by Arlingclose. Council's investments managed internally in consultation with Arlingclose. Roles and responsibilities assigned within Accountancy. Deputy Chief Executive and Portfolio Holder are involved in key decisions. Regular monitoring ,reporting of investment portfolio and returns achieved. CIPFA Code of Practice and Prudential Code being applied with new recommended indicators for measuring investment performance.	NONE	DCX (TC) * Cllr Williams	Ongoing monitoring	18. <b>Completed/Ongoing review.</b> The team continues to explore options for diversifying the portfolio.Accountancy have reported on treasury management performance for 17-18 which went to Overview and Scrutiny in September 18 and have continued to achieved good rate of return (4.98%) on pooled investments. Officers are working on producing the new Capital Strategy As well as investments the Council now has considerable debt (fixed rate) as a result of the asset acquisitions.
		19. If there is a failure to collect/recover income due, this will result in financial losses to the authority. <b>(FINANCIAL SUSTAINABILITY)</b>	3	3	3	Corporate Debt Group monitor the more material items on the aged debt analysis and also coordinate action to tackle debt that is unlikely to be recovered. The Chief Finance Officer reviews a monthly status report of higher value aged debts over 6 months old for reasonableness. A progress review of previous audit recommendations is discussed at each Corporate Debt Group meeting (in particular actions relating to the monitoring and recovery of outstanding aged debt and the governance of the recovery process). Corporate Recovery Policy. 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 anticipated shortfall in income. Accountancy report to Management Team and Members on significant variances and comparisons with previous year.	19i. The sundry debt recovery policy is being reviewed with a view to speeding up the recovery timetable process. 19ii. In order to improve efficiency, there is scope for Customer Services to take greater control over the persual of all sundry debts. 19iii. The Corporate Debt Group monitor developments in recovering Community Infrastructure Levy (CIL) with particular focus on larger sums due.	MAT/ DCX, TC/AGH CR/ Group Heads Cllr Williams	31 January 2019 * R Requires Monitoring	19i. <b>Progress/status</b> of this area was reviewed at the September Corporate Debt Group meeting. Policy to be refreshed and reviewed at next Corporate Debt Group meeting. 19ii. <b>In progress</b> - Considerable ammount of analysis has been undertaken to identify and address historic debts which are not cost effective to pursue or with low probability of recovery, and therefore require write off. The progress of Customer Services lead in the persual of debts is reviewed at Corporate Debt Group. Customer Services have been liaising with services to agree write offs. 19iii. <b>Implemented and ongoing.</b> The enforcement process for CIL has been developed by the Planning team , taking into consideration advice from the Corporate Debt Group. Whilst amounts on CIL accounts are currently monitored, CIL is to be reviewed further in light of what has been learnt over the last 18 months to ensure quicker collection and further identification of infrastructure requirements.



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		20. If there is an Increased risk of fraud / theft due to the economic climate, this will resulting in financial losses and reputational damage. Housing tenancy fraud reduces availability of social housing impacting on the Housing register. Business Rates Avoidance and Evasion results in loss of income. <b>(FINANCIAL SUSTAINABILITY &amp; HOUSING)</b>	3	3	3	Various corporate Policies including Confidential Reporting Code (Whistle blowing), Anti-fraud, Bribery and Corruption Strategy, Proceeds of Crime and Anti-Money Laundering, Code of Conduct, 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. Specialist Fraud groups with Surrey Partners enable sharing of skills, knowledge and approaches. Internal Fraud Overview Group. Fraud alerts circulated. Additional Corporate Counter Fraud resource procured from Reigate and Banstead Council, in accordance with a pre-defined specification. This contractual arrangement is monitored by the Internal Audit Manager including consideration of financial payback. Member reporting - a joint report of January 2018 issued to Overview and Scrutiny Committee highlighting measures being taken by Spelthorne to address business rates tax avoidance and evasion, along with further initiatives to explore.	20i. Monitor financial payback from Counter Fraud work. 20ii. To arrange refresher Fraud and anti-bribery and corruption training for all staff and Members. 20iii. To undertake a risk assessment for money laundering to ensure compliance with regulations (NEW)	Group Heads/ MAT/IAM/ Head of CG <b>Cllr Williams &amp; Cllr Francis</b>	31 January 2019 * R Requires Monitoring	20i. <b>Implemented/Ongoing.</b> Counter fraud work continues with non-benefit fraud returns being collated quarterly, focusing on housing and business rates (evasion and avoidance). At 30.6.18 the cumulative return for Spelthorne (since the start of the Surrey Fraud Partnership in January 2015) exceeds £1.9m in terms of savings to the public purse, with estimated cashable savings for Spelthorne of £354k. In addition there are wider benefits being realised from this counter fraud work . Collaborative working with Reigate and Banstead's Counter Fraud team has continued to produce positive outcomes and impressive financial returns, particularly in Housing with the introduction of enhanced verification checks for new claims. 20ii. <b>Some Progress.</b> The possibility of introducing an online training module for Counter Fraud to form part of mandatory staff training is being pursued. In parallel, external trainers are being explored to offer refresher awareness training .

**\*KEY TO RAG RATING**

Actions Overdue & Outstanding



Partially Actioned



Completed/Ongoing Monitoring



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

**\*KEY TO TARGET DATES**

\* N = New Action

\*R = Revised target date for assigned action

\*O = Original target date for assigned action

**\*KEY TO OFFICERS**

- MAT - Management Team
- CX, - Daniel Mouawad
- Head of CG – Head of Corporate Governance, Michael Graham
- Deputy Head of ICT – Alistair Corkish
- 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
- AGH CR - Acting Group Head for Customer Relations, Roy Tilbury

- 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
- EDM – Economic Development Manager, Keith McGroary
- IAM - Internal Audit Manager, Punita Talwar

**PORTFOLIO HOLDERS - recorded under risk ownership column**