

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 March 2019 by the Internal Audit Manager

PREVIOUS RAG	CURRENT RAG	RISK / IMPACT 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 (CLEAN & SAFE ENVIRONMENT)	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). 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. There is scope to tighten up controls relating to training, procedures and the 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	30 June 2019 *R Requires Monitoring	1i. Partially Implemented & Progressing. Further documentation and development of Health and Safety Procedures is ongoing. 1ii. Partially Implemented & Progressing . The monthly Health and Safety Committee is now attended by most service areas, however, some services are regularly absent. Going forward an attendance register will be taken. Work has been undertaken to address the shortfalls in the inspection process with ongoing improvements in health and safety monitoring, however, further improvements are still required. 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. Commenced. Changes have been made to SHE to make it more user friendly, additional measures are planned. A number of SHE user guidance notes have been written, available to all service areas. Additional guidance notes will be developed. Systems for health and safety monitoring, along with auditing and review are to be developed and implemented.
		2. If there was a major Disaster in the borough, e.g. flooding, this may result in significant strain on council services (CLEAN & SAFE ENVIRONMENT)	2	4	4	Performance monitoring by Commissioning and Transformation. Emergency Planning support. Corporate Multi- Emergency Plan. 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).	2i. The Corporate Emergency Plan is currently being updated and reviewed .	CX (DM)/ GH C & T* Cllr Harman	Completed/ Ongoing Monitoring	2i. Implemented. The corporate emergency plan has been reviewed and updated plus a public version placed on the Council's website.
		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. (ALL PRIORITIES)	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. Corporate Annual Report for 2017/18 reported to Cabinet in July 2018.	3i. To initiate process for 2019/20 Service Planning in February 2019. 3ii. Quarterly reporting and monitoring of Service Plan implementation (NEW). 3iii. Improved alignment between Service Plans and the Corporate Plan as well as the budgetary cycle is planned . (NEW)	MAT / DCX LO/GH C & T /Group Heads & Managers * Cllr Boughtflower	i. Completed/ Ongoing Monitoring ii. 30 September 2019 * O Requires Monitoring iii. 2020 * O Requires monitoring	3i. Implemented. The process has been initiated with Service Plan templates issued and planning currently underway. 3ii & 3iii NEW ACTIONS Proposals for more frequent reporting and monitoring of progress in implementing service plans for 2019/20 have been communicated to Group Heads and Managers, as have further planned developments to the service planning process.

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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 includes 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 plans, monitor progress against pre-determined plans and milestones, and include regular effective reporting to Management Team and Members. 4iii. An internal audit review of Project Governance is currently underway (NEW)	MAT/GH C&T /Group Heads* Cllr Boughtflower	30 June 2019 * R Requires Monitoring	4i. Ongoing. 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. (There are no further developments to report) 4ii. In Progress. Some processes have been implemented, such as weekly reporting to Management Team and quarterly reporting to Overview and Scrutiny Committee on the status of projects (Dashboard), enabling improved oversight and an opportunity to highlight any issues/actions required. Other areas remain ongoing , eg 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.
		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. Information Asset Owners identified. FOI requests: FOI online training and guidelines, FOI process flowchart, online FOI module and templates for response text are available	5i. Data Protection Officer to pursue plan to ensure information assets are identified and managed. 5ii. Raise awareness of Information Governance and the requirements of the DP legislation amongst staff and members. Identification of detailed training requirements in services. 5iii. Information flows to be mapped and completion of information assets registers for all areas. (SEE ALSO FURTHER ACTIONS BELOW)	GH C & T * /IGO * All Portfolio Holders	30 June 2019 * R Requires Monitoring	5i. Implemented & Ongoing : The Data Protection Officer has produced a detailed work plan to work towards GDPR compliance. This has fed into the data protection compliance plan for services (issued Autumn 2018) - see 5v. 5ii. Implemented & Ongoing : The level of data protection awareness in the Council continues to increase. The temporary administrator was trained and helped move forward completion of many of the Information Asset Registers. The administrator has now taken a job elsewhere, but due to the volume of work a further 9 months will be contracted. A total of 78 staff members have been trained with a further 28 still to attend training delivered by the Data Protection Officer. 5iii. In Progress - 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).			5iv. In Progress - Some recommendations are being addressed and overlap to some degree with other actions in this category. 5v. In Progress - Deadlines in the data protection compliance plan for services have not been achieved in many areas.

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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. (ALL PRIORITIES)	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 Officer in post. ICT Disaster Recovery test conducted in November 2017 (successful) and further test planned in May 2019.	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 (ALL PRIORITIES)	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. Independent review of the ICT function undertaken in 2018.	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 which requires ongoing review by Management Team. 6ii. An ICT Audit Needs Assessment is currently underway to highlight risks for further consideration in the audit planning process. (NEW)	DHICT *Cllr Boughtflower	30th June 2019 R* Requires Monitoring	6i. In Progress - Discussions with the ICT Manager have confirmed that anyone with Systems Administrator 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. Given that these risks prevail Internal Audit have highlighted the importance of applying compensating controls within service areas (raised at the Corporate Risk Management Group in December 2018 and continue to be promoted during audit reviews).
		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 (CLEAN & SAFE ENVIRONMENT)	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 with periodical review. 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.	GH C & T*	30 June 2019 R* Requires monitoring	7i. Outstanding . Applied Resilience are organising an exercise for late Spring 2019. 7ii. Implemented - Security policy updated and Applied Resilience have a text messaging system which will alert staff and instruct on whether to leave or stay where they are. 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 (ALL PRIORITIES)	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.	MAT/ Group Heads/ GH C & T * All Portfolio Holders	30 June 2019 R* Requires monitoring	8. In progress . Resilience is one of the issues being considered as part of the root and branch service reviews during 2018/19 and into 2019/20. There are no further developments to report in this area.

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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 (ALL PRIORITIES)	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. 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 for some service areas (such as HR, Legal, Independent Living).	9i. Management Team will need to keep resourcing levels under review, particularly the impact of new projects and any statutory obligations on service/project delivery. 9ii See action at 8ii above relating to Root and Branch reviews.	MAT *Cllr Boughtflower	30 June 2019 R * Requires monitoring	9i. Completed/Ongoing Monitoring. Additional staffing resource approved for some areas in 2019/20. 9ii. In Progress - 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 . Mandatory training to raise awareness of mental health is to be delivered in due course.
		10. If there are prolonged staff vacancies due to inability to recruit, then this may result in a failure in service delivery (ALL PRIORITIES)	3	4	4	Market supplements awarded to certain roles when recruiting. Annual review of recruitment and retention allowances. Annual Salary review/enhancements in some services. 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. Levy to be focussed on upskilling internal employees as well as some recruitment of new apprenticeships. Local arrangements in place for deciding pay awards and to local terms and conditions of employment	10i. Human Resources to monitor the effectiveness of measures taken to improve recruitment and retention across the authority , in collaboration with Services. 10ii. Any future review of the recruitment and retention strategy should consider the feasibility of a staff referral scheme (NEW).	MAT/Group Heads/ GH C & T/HRM * Cllr Boughtflower	30 June 2019 R * Requires monitoring	10i. In progress. The Council has moved to local arrangements for deciding pay awards and to local terms and conditions of employment rather than continuing with nationally agreed pay awards and conditions. There are many external factors which have an ongoing impact on recruitment and retention.
		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. (This section links also with section 4 above - Project Management) (ALL PRIORITIES)	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. Revised Procurement strategy and action plan to facilitate monitoring. Developing improved reporting systems. Interim Procurement Manager in post to establish revised 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. Full compliance with the Local Government Transparency Code is required and should be confirmed once achieved. 11ii. 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. 11iii. 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. 11iv. The future of the Procurement Board to be considered as part of a review of all boards across the authority. 11v. Revised Procurement processes are being established . (NEW)	MAT /HOCG *Cllr Boughtflower	30 June 2019 R * Requires monitoring	March 2019 - No further updates have been received in this area (HOCG). 11i, 11ii, 11iii & 11iv . In Progress . Compliance with the transparency code is being addressed through the purchase of a procurement and contract management system used by 27 local authorities. The role has recently been transferred to Corporate Governance on departure of the former Procurement officer. An interim Procurement Manager has been employed to address outstanding issues, as well as establish revised processes. A decision as to whether a procurement board continues will also be considered through the Project Governance process and liaison with service areas, as there are close linkages between project governance and procurement . 11v. Following the transfer of the Procurement function, the Procurement strategy and policy have been revised in February 2019 and an initial indicative spend analysis exercise undertaken. Revised procurement processes are being established and the service are planning for/implementing changes. The Head of Corporate Governance will be attending Audit Committee in March to provide an update.

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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. (This section links also with section 4 above - Project Management)	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 .	Dcex (LO)/ Group Head CW* Cllr Attewell	30 June 2019 R * Requires monitoring	11bi. March 2019 - In Progress - The report to Overview and Scrutiny in January 2019 states that a timetable for the next phase of consultation on the Council's plans for a new Spelthorne Leisure Centre will be decided once the review of alternative locations for the facility have been completed and options identified. The team are continuing to assess alternative sites and are intending to peer review those to obtain an independent view, prior to any public consultation.
		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 impact on the effective delivery of Spelthorne's Housing Service to the community. Ongoing uncertainty over recovery of outstanding Housing Benefit debt. (HOUSING)	3	3	3	Group Heads/ MAT/Members are aware of ongoing risks in this area. Universal Credit rollout/migration is under consideration. Housing Benefit regulations stipulate limitations around overpayment debt recovery. Current debt stands at approx. £3m. Internal Audit review of Housing Benefit Overpayments completed March 2019 and recommendations agreed by management (see risk category 19). Discretionary housing payments Corporate Debt Group and Strategic Housing Group monitor progress. Officers and A2D continue to work with families affected by the benefit cap. Close working with private landlords. Landlord guarantee scheme. Knowle Green Estates (subsidiary) focusing on the Housing Delivery Programme. The Council was assessed by the Ministry for Housing, Communities and Local Government as being well prepared for the implementation of the 2018 Homelessness Reduction Act, which was reported to Overview and Scrutiny in January 2019.	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. Overview and Scrutiny at its January meeting received a positive report on the successful implementation of the Homeless Reduction Act.
		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. (ECONOMIC DEVELOPMENT & FINANCIAL SUSTAINABILITY)	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. Implemented and ongoing. 13ii. Implemented and ongoing. Currently on track to generate an estimated net additional £800k from the 2018-19 "100%" Business rates retention pilot.

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		13b. If the Economic Development Strategy fails to be implemented, this could impact on growth (ECONOMIC DEVELOPMENT)	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 twelve months. Annual review and refreshing of the strategy, enabling targets that have been achieved to be commented upon and removed; new targets that have emerged over the previous twelve months are then included. Prioritisation of projects to benefit from the business rates retention has been completed.	13bi. Economic development is a Council priority and growth will impact on business rate income - this is under ongoing review. 13bii. Regarding governance, 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. The refreshed strategy needs to be approved by the EDEG. <i>(REVISED)</i>	DCX (TC)*/GH R & G*/ EDM* Cllr Barnard	Completed/Ongoing Monitoring	13bi & ii. Implemented and ongoing review.
		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. (CLEAN & SAFE ENVIRONMENT)	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 Surrey County Council and the Surrey Safeguarding Children's Board (SSCB). Annual Section 11 audit (a review of training records was also undertaken in 2018). 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. A restructure of Surrey County Council Children's services is currently being undertaken. This will mean that the procedure for referrals to MASH/Early Help will change.	14i. Officers are currently undertaking the statutory children's Safeguarding audit which is completed annually. Any recommendations arising are to be considered. <i>(REVISED)</i> 14ii. Monitoring of any likely changes to the safeguarding referral process and subsequent implementation <i>(NEW)</i>	DCX (TC)/LSM/LM/Joint Group Heads - CW * Cllr Attewell	30 June 2019 R * Requires monitoring	14. Completed/ongoing monitoring. Awaiting feedback from the statutory audit recently undertaken. With the transformation taking place at Surrey County Council it has been more challenging to maintain key relationships and to understand changing processes. An internal officer group has been set up which meets monthly to coordinate responding to safeguarding and early help issues.

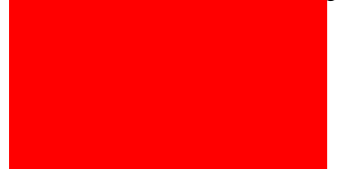
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		15. In light of ongoing reduction in Central Government funding, if opportunities for significant income generation and investments are missed, then this will impact on the Council's ability to close the budget gap and deliver vital services. If 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. (FINANCIAL SUSTAINABILITY)	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 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 has been 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. Further actions for this risk category are recorded below.	MAT/GH R & G* Cllr Williams	30 June 2019 R * Requires monitoring	15i. Implemented/ Ongoing . Performance is monitored regularly at Development and Investment Group (DIG) and a quarterly performance report is produced for the Investment Portfolio. DIG comprises of senior officers from across the Council and meets weekly to undertake a review of performance of acquisition, progress of developments, and evaluation of possible acquisitions. Monthly meetings of Investment and Property Committee (IPC), on which Leader and Finance Portfolio Holder sit, review and discuss performance of investments, developments and consider/ evaluate possible acquisitions and whether to put forward to Cabinet for consideration. 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 new Property Management System is operational. Council approved at its February meeting the Capital Strategy. The new draft Strategy was scrutinised by Overview and Scrutiny as a draft before going to Council for approval. 15ii. Progress underway- Work is underway to deliver a new Property Management System to effectively manage Spelthorne's property portfolio (investment, community, commercial and residential properties).Tenders for the Property Management System have been evaluated and a decision on the supplier will be made by end of March with initial 'go live' implementation anticipated September 2019.The Council uses expert external advisors (where required) for its investment portfolio to manage matters such as service charges.
		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. (FINANCIAL SUSTAINABILITY)					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.			DIG receives timely updates on rental income collected on the Council's commercial investment assets. The Deputy Chief Executive has advised that 93% of commercial assets rent for quarter 3 was received within 7 days , with no outstanding amounts. 15iii. Progress underway - The Group Head for Regeneration and Growth prepared a briefing note for Audit Committee in November 2018 on monitoring arrangements, for example quality control measures undertaken by professionals. The Council has brought in additional advisers to provide a second opinion on lead advisers advice, and to produce reports on the financial robustness of tenants in potential and acquired acquisitions. The Council has subscribed to Standard & Poor's credit rating database and set up watch lists for its tenants to alert it to any deterioration in the health of its tenants. Where there is any deterioration the potential impact of this is reviewed by the internal team. Sensitivity analysis is undertaken with respect to variables such as rental growth.

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		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. (ALL PRIORITIES)	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 in areas such as Procurement and Information Governance.	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/DCX (TC) All Portfolio Holders	Completed/ Ongoing Monitoring	16. i. Completed/Ongoing Monitoring - 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. Further growth approved and built into the 2019- 20 Budget for ICT, HR, Environmental Health and Assets. Resilience is being considered as part of the root and branch service reviews. 16ii. Completed/Ongoing Monitoring - Monthly reconciliations are undertaken and additional staff resource has been focused on resolving residual issues. A review of the Accountancy structure is also planned to take place shortly which may help further to assess staff contingency arrangements/requirements.
		17. In light of the changing political landscape & Brexit, this represents many potential uncertainties of a recruitment, financial, regulatory and supply chain management 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. ALL PRIORITIES	3	3	3	The Group Head for Commissioning and Transformation is the Corporate lead for Brexit. Summary briefing note issued to MAT/Cabinet/Audit Committee in August 2018 on possible implications of a Brexit "no deal" on the Council .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. Brexit Continuity Planning continues to takes place.	17i. MAT to regularly consider potential Brexit uncertainties for Spelthorne and have a plan in place to address. 17ii. Group Head Transformation & Commissioning is participating in regular Countywide Brexit Continuity Planning meetings and briefing MAT and Group Heads. Briefing paper on Audit Committee Agenda for 28th March 2019 (NEW)	MAT/ Group Heads All Portfolio Holders	30 June 2019 R * Requires monitoring	17i. Progress underway - MAT and Group Heads are briefed regularly regarding developments. 17ii. Progress underway - There is ofcourse continued uncertainty associated with scenario planning for Brexit. The Group Head for Commissioning and Transformation considers that overall Spelthorne are aware of the risks and trying where possible to address these. A weekly report on preparedness for Brexit is issued to the Local resilience Forum which feeds through to Central Government. Also attending weekly tactical and fortnightly strategic teleconferences with the Local Resilience Forum to ensure contingencies where appropriate in place. Services are updating on any information/impacts relevant to their service via weekly reports back to the LRF and onto central Government. Services are noting potential implications including staffing, environmental health and data protection. The Group Head for Commissioning and Transformation has prepared a summary briefing note to go to MAT/Cabinet/Audit Committee for end of March 19 on possible implications of a Brexit "no deal" on the Council.
		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. (FINANCIAL SUSTAINABILITY)	2	3	3	Treasury Management Strategy approved annually by Members. Reporting of Treasury Management performance to 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. Completed/Ongoing review. The team continues to explore options for diversifying the portfolio. Approved Capital Strategy (see risk category 15).

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		19. If there is a failure to collect/recover income due, this will result in financial losses to the authority. (FINANCIAL SUSTAINABILITY)	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 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). Recovery policies (may require updating). 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. Housing Benefit regulations stipulate limitations around overpayment debt recovery. Current debt stands at approx £3m. Internal Audit review of Housing Benefit Overpayments completed March 2019 and recommendations agreed by management (see risk category 19).	19i. The corporate debt recovery policy is being reviewed 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 CIL with particular focus on larger sums due. 19iv. Further to the recent audit review of Housing Benefit Overpayments, increased reporting (management information and breakdowns) will help to enhance visibility in terms of debt monitoring of this area. This will be pursued in collaboration with the Corporate Debt Group. (NEW) 19v. Development of systems to assist in monitoring of Bed and Breakfast debt in terms of enhancing efficiency and avoiding duplication is ongoing (NEW)	MAT/DCX, TC/AGH CR/ Group Heads Cllr Williams	30 June 2019 * R Requires Monitoring	19i. Progress underway - Internal Audit have provided constructive advice and guidance regarding policy review of this area (February 2019) for consideration by the lead officer with subsequent reporting to the Corporate Debt Group. It is intended that the Policy will be fully refreshed and reviewed at the next Corporate Debt Group meeting 12.3.19. 19ii. Progress underway - Considerable amount 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. Customer Services have been liaising with services to agree write offs. The progress of Customer Services lead in the persual of debts is reviewed at Corporate Debt Group. If the preferred direction is for Customer Services to take a greater lead role in the persual of all sundry debts (i.e. reducing the frequency by which cases are passed back to Services to make decisions), then this will need to be reflected in any revised corporate debt policy (see action 19i). 19iii. Implemented/ongoing . Some good results have been achieved in enforcing collection of CIL and a Root and Branch review of CIL income is also underway.
		20. If there is an increased risk of fraud / theft due to, 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. (FINANCIAL SUSTAINABILITY & HOUSING)	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. Specialist Fraud groups with Surrey Partners enable sharing of skills, knowledge and approaches. Fraud alerts circulated. Enhanced verification checks for new housing claims. Non-benefit fraud returns are collated quarterly, focusing on housing, council tax support, and business rates (evasion and avoidance). These are reported to the Surrey Counter Fraud Board. Collaborative working with Reigate and Banstead's Counter Fraud team has continued to produce positive outcomes and impressive financial returns/payback. Wider benefits are also being realised from this counter fraud work and a further growth bid has been secured (February 2019) for these counter fraud measures to continue. Overview and Scrutiny Committee report of January 2018 highlighted measures being taken by Spelthorne to address business rates tax avoidance and evasion, along with further initiatives to explore.	20i. To arrange refresher Counter Fraud, anti-bribery and corruption training for all staff and Members. 20ii. To undertake a risk assessment for money laundering to ensure compliance with regulations.	Group Heads/ MAT/IAM/ Head of CG Cllr Williams & Cllr Francis	30 June 2019 * R Requires Monitoring	At 31.12.18 the cumulative return for Spelthorne (since the start of the Surrey Fraud Partnership in January 2015) equates to £2.46 m in terms of savings to the public purse, with estimated cashable savings for Spelthorne of £481k. 20i. Progress underway . The Internal Audit Manager has outlined suggested requirements for inclusion in proposed Counter Fraud, anti-bribery and corruption training for staff and Members. Further discussions are being held to take this further forward. Trainers are being explored to offer refresher awareness training . 20ii. At March 2019 - No further updates have been received for this area.

***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

GH R & G - Group Head - Regeneration and Growth, Heather Morgan
IGO - Information Governance Officer, Clare Williams
HRM – Human Resources Manager, Debbie O'Sullivan

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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

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