

**To:**  
**All members of the**  
**Audit Committee**

*Please reply to:*

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Date: 15 October 2025

## Supplementary Agenda

### **Audit Committee - Tuesday, 21 October 2025**

Dear Councillor

I enclose the following items which were marked 'to follow' on the agenda for the Audit Committee meeting to be held on Tuesday, 21 October 2025:

#### **5. Corporate Risk Management (Corporate Risk Register) 3 - 54**

The Committee is asked to consider the significant strategic risks and issues highlighted in the report.

Yours sincerely

Christeen Abee  
Corporate Governance

To the members of the Audit Committee

Councillors:

J. Button (Chair)  
K. Howkins (Vice-Chair)  
G. Neall

L. E. Nichols  
H.R.D. Williams  
P.N. Woodward

R. Chandler  
P. Briggs  
S. Seehra

Substitute Members: Councillors: M. Arnold, J.R. Boughtflower and T. Burrell  
**Spelthorne Borough Council, Council Offices, Knowle Green**

**Staines-upon-Thames TW18 1XB**

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### Committee Report Checklist

Please submit the completed checklists with your report. If final draft report does not include all the information/sign offs required, your item will be delayed until the next meeting cycle.

#### Stage 1

##### Report checklist – responsibility of report owner

ITEM	Yes / No	Date
Councillor engagement / input from Chair prior to briefing	Y	09/10/25
Commissioner engagement (if report focused on issues of concern to Commissioners such as Finance, Assets etc)	Y	11/10/25
Relevant Group Head review		
MAT+ review (to have been circulated <b>at least 5 working days before Stage 2</b> )	Y	29/09/25
This item is on the Forward Plan for the relevant committee		
	Reviewed by	
Finance comments	TC	07/10/25
Risk comments	LO	03/10/25
Legal comments	LH	03/10/25
HR comments (if applicable)		

For reports with material financial or legal implications the author should engage with the respective teams at the outset and receive input to their reports prior to asking for MO or s151 comments.

Do not forward to stage 2 unless all the above have been completed.

#### Stage 2

##### Report checklist – responsibility of report owner

ITEM	Completed by	Date
Monitoring Officer commentary – at least <b>5 working days before MAT</b>	L Heron	03/10/25
S151 Officer commentary – at least <b>5 working days before MAT</b>	T Collier	7/10/25
Confirm final report cleared by MAT	L O'Neil	14/10/25

# Audit Committee

**Date of meeting: 21 October 2025**

<b>Title</b>	Corporate Risk Register (Corporate Risk Management)
<b>Purpose of the report</b>	To inform and assure
<b>Report Author</b>	Lee O'Neil, Deputy Chief Executive
<b>Ward(s) Affected</b>	All Wards
<b>Exempt</b>	No
<b>Exemption Reason</b>	N/A
<b>Corporate Priority</b>	Community Addressing Housing Need Resilience Environment Services
<b>Recommendations</b>	<b>Committee is asked to:</b> Consider the significant strategic risks and issues highlighted in this report and present these to the Corporate Policy and Resources Committee, ensuring continued wider reporting of the Corporate Risk Register and actions across other Committees.
<b>Reason for Recommendation</b>	The Corporate Risk Register must continue to ensure that the Council's most significant risks in relation to achievement of corporate priorities and objectives are identified, managed, monitored, and reported. Continued visibility and ownership of the risks and issues raised in this report is recommended across the Council due to the significant and wide-reaching implications. This will support improved coordination in implementing risk management strategies.

## 1. Executive summary of the report

What is the situation	Why we want to do something
The Corporate Risk Register (the Register) continues to ensure that the Council's most significant strategic level risks in relation to achievement of corporate priorities and objectives are regularly identified, managed, monitored, and reported. The current reporting frequency coincides with the Audit Committee cycle and work programme	Exposure to wider externalities and other unprecedented pressures continue to present challenges to the Council and to the delivery of its corporate priorities. The approaches taken to proactively manage identified risks and mitigate their impact are referred to in the Register.

This is what we want to do about it	These are the next steps
The Corporate Risk Register and related processes provide a mechanism for regularly reviewing risks to ensure any threats to the Council and its services can be addressed/minimised.	<p>The corporate management team and lead Committee hold collective ownership and accountability for ensuring these strategic corporate risks are effectively managed. In doing so they are supported by designated lead officers (at Group Head level) who are responsible for overseeing the day-to-day management of these risks and ensuring future risk management strategies are progressed/implemented.</p> <p>The Council is currently in the process of developing a governance assurance approach to risk management which will be reflected in the next version of the register presented to the Audit Committee.</p>

## 2. Key issues

- 2.1 This report highlights significant strategic risks in delivering the Council's priorities (CARES) and objectives, current strategies to manage risks (defined as current controls and current mitigations) as well as any future strategies to manage associated risks.
- 2.2 The Council continues to encounter a range of external and internal challenges in delivering its corporate priorities including:
- (a) Inflationary pressures.
  - (b) Ongoing demands for housing.
  - (c) Increased workloads in specific areas, including responding to high levels of service requests relating to Houses in Multiple Occupation.
  - (d) Difficulties recruiting to some professional areas, such as Environmental Health, Building Control and ICT.
  - (e) External work pressures which affect the Borough, including responding to planned expansion of Heathrow Airport.
  - (f) Plans for Local Government Reorganisation (with Surrey in the first wave of authorities to be involved), the result of which will mean that Spelthorne will no longer exist as a sovereign authority from April 2027.
- 2.3 The Register also reflects the latest position with regards to the Council's ongoing response to External Audit Reports and Best Value Inspection, including the development of an Improvement and Recovery Plan following intervention by Government appointed Commissioners to address the Directions issued by the Minister of Housing, Communities and Local Government.

The approaches taken to proactively manage identified risks and mitigate their impact are referred to in the appendices to this report.

- 2.4 The updated Corporate Risk Register is shown in **Appendix A** and reflects any changes in the risks outlined at the time the report was written.
- Appendix B** – Outlines the current and previous risk scores and how they have been calculated from the assessment of the likelihood of a risk occurring against the impact this could have.
- 2.5 Further changes may be necessary in the future to add new key risks and remove any subject areas where risks are eliminated or reduced to an acceptable level.
- 2.6 The Council is currently in the process of moving to a governance assurance approach to risk management and the Council's Risk Management Framework, Policy and associated risk registers will be amended to reflect this new approach. Further information is provided in Sections 2.10 – 2.13.

### **Changes in risk scores and other key updates**

- 2.7 As referenced in the previous report to this Committee a new Risk Subject Area 10 has been added covering **Contract Management**.
- 2.8 The updated risk RAG/scores for:
- (a) **3 - Financial Resilience and Commercial Assets - Commercial investment portfolio** – **Now Red RAG** (previously amber) - risk score increased from 9 to 12, and
  - (b) **4 - Financial Resilience and Supporting Communities - Reducing debt** - **Now Red RAG** (previously amber) - risk score increased from 9 to 16

reflect ongoing work with the Commissioners to agree a comprehensive Improvement and Recovery Plan and associated asset disposal/debt reduction programme to be considered and approved by Council on 23 October 2025.

- 2.9 All other risk scores remain the same, although updates have been made to the information contained within each category where appropriate.

### **Planned changes to the Council's Risk Management Framework and Policy**

- 2.10 As part of planned improvements to the way the Council deals with risk management, the Council's Risk Management Framework and Policy will be reviewed and redrafted using a governance assurance approach to managing risks. This will also be aligned to deliver the requirements of the Council's Improvement and Recovery Plan.
- 2.11 This approach will have less focus on risk scores, which are inherently subjective, and have a greater focus on the effectiveness of the Council's governance and control arrangements ensuring that this authority can deliver its objectives and corporate and service responsibilities in a more positive way, and that stakeholders receive sufficient assurance that appropriate arrangements are in place.
- 2.12 The way the Risk Register is presented and the information contained within it will be amended to reflect that approach. This is therefore likely to be the last time the Register will be presented to this Committee in its current format.

- 2.13 Under the new governance assurance arrangements risk owners will be required to regularly provide updates to their appropriate service committees on any key risks relating to their overview areas.

### **3. Options appraisal and proposal**

- 3.1 The revised register and related appendices reflect the high-level significant risks affecting this authority at the time the Register was updated, based on consultation with managers and assessment of risk and controls in operation.
- 3.2 **Option 1 (preferred option)** – To consider the contents of the Corporate Risk Register including any revised/consolidated risk categories, any further risk categories that can be consolidated or removed, residual risks highlighted, current risk management strategies (current control actions, current mitigating actions) and future risk management strategies.
- 3.3 **Option 2** - To recommend amendments to the Corporate Risk Register for consideration by the Corporate Risk Management Group.

### **4. Risk implications**

- 4.1 The Council's corporate and strategic risks impacting the effective achievement of corporate priorities, represent the most significant risks facing the authority. The register contains broad strategic risk categories, comprising specific risk subject areas that align to the broader category. Risk descriptions and consequences are identified and articulated, as well as the current controls and current mitigation measures in place to manage these risks. Current controls are those actions intended to reduce the likelihood of occurrence of the risk event, whilst current mitigations are those actions intended to reduce the impact of a risk event should it occur. Taken together, current controls and current mitigating actions represent current risk management strategies. Future risk management strategies are also included in the register documentation.

### **5. Financial implications**

- 5.1 The risk scores within the register continue to be influenced by a number of key underlying themes around financial risk due to:
- (a) Approving the Improvement and Recovery Plan to address the statutory Best Value Directions, and the workstream actions making up the IRP.
  - (b) Ongoing funding challenges for local authorities, particularly in light of Fair Funding reform.
  - (c) Increased demands on services, particularly in the area of housing.
  - (d) Risks associated with managing the accumulated capital costs of £10-15m arising from the suspension of direct delivery of the Council's Housing Development programme and the significant annual holding costs for Council-owned development sites, and
  - (e) Continuing high cost of debt, despite recent reductions in inflation.

## **6. Legal comments**

- 6.1 In accordance with regulation 3(c) of The Accounts and Audit Regulations 2015 the Council is required to have a system of internal control which “includes effective arrangements for the management of risk”.
- 6.2 Identification and consideration of corporate risks and maintenance of the corporate risk register assist the Council in discharging this obligation.

## **Corporate implications**

### **7. S151 Officer comments**

- 7.1 The S151 recognises the key importance to effective governance of having an appropriate corporate risk register in place. The S151 confirms that the Register has focused on key financial risks.

### **8. Monitoring Officer comments**

- 8.1 The Monitoring Officer confirms that the relevant legal implications have been taken into account.

### **9. Procurement comments**

- 9.1 There are no procurement implications arising directly from this report.

### **10. Equality and Diversity**

- 10.1 The Corporate Risk Register incorporates Equality, Diversity and Inclusion as a specific strategic risk category and sets out current controls and current mitigation measures in place, as well as future risk management strategies.

### **11. Sustainability/Climate Change Implications**

- 11.1 There are none separate to those in the Register.

### **12. Other considerations**

- 12.1 Whilst not currently referred to as a specific risk category on the Corporate Risk Register, the challenges facing the external audit sector have continued to present risks across the local government sector in terms of significant ongoing delays and backlogs in external audit assurance provision relating to prior year accounts, and the subsequent limitations regarding audit coverage and opinions. The backlog issues were addressed for years 2018-19 to 2022-23 for Statement of Accounts at an extraordinary meeting of the Audit Committee on 4<sup>th</sup> December ahead of the national cut-off date of 13<sup>th</sup> December 2024. The Value for Money opinions for 2018-19 to 2022-23 were received by the Audit Committee on 25<sup>th</sup> September 2025. The external audit review process relating to 2024/25 for Spelthorne is now well underway with the draft Statement of Accounts published on 16<sup>th</sup> September and the audit due to finish by Christmas, and the draft Value for Money opinion for 2024-25 appearing on the agenda for this Committee.
- 12.2 It should be noted that there could be further developments under any of the risk categories between the report being drafted and this being reported to the



Committee. Any significant changes would therefore be reported verbally at the Committee as necessary.

### **13. Timetable for implementation**

- 13.1 Future risk management strategies show Council officer 'Risk Owners' responsible for progressing actions, together with target timescales for implementation. The Register content is reviewed and updated at least quarterly in consultation with the corporate Management Team, Group Heads and managers. It is coordinated, analysed, and reported by the Deputy Chief Executive, which includes identifying new risk descriptions, high level review of relevance of control and mitigation actions being reported in context of risk area, and proposing new risk management strategies in consultation with managers, where deemed appropriate.

### **14. Contact**

- 14.1 Lee O'Neil – Deputy Chief Executive (l.o'neil@spelthorne.gov.uk)
- 14.2 Please also refer to contact names provided for Risk owners/accountable officers as well as lead Officers who hold responsibility for implementing systems of internal control and mitigating actions to manage and alleviate the risks identified against each broad risk category and risk subject area.

***Please submit any material questions to the Committee Chair and Officer Contact by two days in advance of the meeting.***

**Background papers:** There are none.

### **Appendices:**

**Appendix A** - Corporate Risk Register – this includes related narrative content as well as (i) level of assessed risk i.e., Red/Amber/Green - RAG status of each risk category (ii) Numerical Risk score and Future Risk Score.

**Appendix B** – Risk scoring matrix summary (incorporating consolidated Risk Subject Areas) – level of assessed risks in the register.

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## CORPORATE RISK REGISTER – OCTOBER 2025

**Risk Category: 1 - Housing – Delivering targets for housing development and affordable housing requirements**

**Risk Subject Area: a. Addressing affordable housing supply and demand to meet local need**

**Corporate Priorities: Addressing Housing Need**

**Risk Owner(s): Coralie Holman/Karen Sinclair**

**Date of update: 10 October 2025**

**Previous Risk Score:**

**12**

**Current Risk Score:**

**12**

**Future Risk Score:**

**9**

### Risk description

Cost of living crisis, shrinking private rented sector, insufficient number of affordable housing units, migration (refugees and asylum seekers) and rising costs of rent will continue to result in increasing demand for affordable units whilst the supply of suitable accommodation has reduced.

Impact on residents and their housing need due to the Council stepping back from direct housing delivery. This means that the Council is now reliant on 3rd party developers/Registered Providers to come forward with proposals that meet the Council's objectives.

Risk that Council development sites that are sold/developed by 3<sup>rd</sup> parties do not deliver the desired level of affordable housing, e.g. due to viability issues and lack of not-for-profit social housing providers, partnering with housing developers to bring new social housing forward. This is a national issue with recently 700 development schemes being reported as being stalled due to challenges with engagement with Registered Providers.

Registered Providers (RPs) not developing in the area or taking on S106 units from developers. Wider viability challenges have meant that private developers and RPs have historically not provided sufficient affordable units to meet local demand.

Lack of affordable housing supply increases homelessness with increased demand for temporary or social housing. Demand has increased significantly over the last few years and is likely to increase further.

The cost of temporary accommodation sourced on the private market, grows as the demand increases.

The impact of Renters' Rights Reform (Act expected to be enacted in early 2026) may lead to landlords exiting the market adding further pressure.

The types of housing units that are available on the market may not meet local resident needs or address client special needs for accommodation.

Any delay in adopting the Local Plan would not assist in progressing a wide spread of units for differing needs.

Uncertainty over future of external funding for homeless clients with complex needs requiring intensive support, whilst demand and resource requirements are growing for this service.

Geopolitical factors continue to present increased demand in supporting refugee communities and consequently managing the provision of suitable and secure housing.

Increased rate of determination of asylum seekers claims is resulting in more residents at the Asylum Seekers initial accommodation hotel in the Borough presenting to the Council seeking housing support.

Now the housing and regeneration assets for accounting purposes are being treated as surplus assets, there are significant Minimum Revenue Provision charges being made to Revenue on these assets (totalling approximately £6m per annum). If there are significant delays on achieving housing outcomes on these sites this will add to the financial pressures on the Council.

#### NOTES:

**Housing Register Numbers:** The Council undertakes an automatic review of circumstances every 6 months to keep the register up to date.

	May 2025	12 June 2025	10 Oct 2025
<b>Total on Housing Register</b>	2,581	2,526	2415
<b>Excluding Category D ("Low housing need and no "deemed need")</b>	1,607	1,579	1552

#### Current control actions:

##### Council owned regeneration/development sites:

Although a Development Delivery Strategy and site prioritisation was agreed by Full Council, any decision-making around Council-owned regeneration/development sites will now be taken forward working in collaboration with the Commissioners as part of the broader Improvement and Recovery Plan. The first sites to be brought forward to deliver new housing will be Thameside House approved for disposal by Council on 9<sup>th</sup> October 2025 to be followed by Ashford Victory Place and Ashford MSCP. The timing of Ashford sites being disposed of will be determined following bespoke meetings with potential RP partners being undertaken, hence it is expected further site disposals following Thameside House will be in 2026.

Professional advice, expertise and input from officers, and sources of expertise to be agreed with the Commissioners to guide and support on the implications of any proposed routes put forward. This includes putting in place clear criteria for social value and how this will be taken into account in overall evaluation of proposals.

Established policies and framework, plus governance and reporting arrangements to be kept under review to ensure effectiveness.

Scrutiny of decisions is embedded within the Committee system of governance, and a 'call in' procedure can be invoked, if required.

### **Managing housing need:**

The review process for S106 agreements with developers aims to capture additional affordable housing.

Use of commuted sums to deliver additional affordable units.<sup>1</sup>

Quarterly Strategic Action Plan monitoring and review relating to Housing and Homelessness Strategies. Member approved tenancy strategy.

More robust eligibility criteria now applied in determining applicants for the Social Housing Register, to reflect Allocation Policy.

Homelessness Reduction Act incorporates proactive and preventative measures to support those at higher risk of homelessness.

Collaborative working with Registered Social Landlords and Partners to pursue delivery of affordable housing need and manage pipeline of units.

Use of Local Authority Housing Fund (LAHF) capital funding programme (Rounds 1, 2 and 3) to acquire properties to house homeless refugees, as well as delivery of temporary accommodation.

Delivering further Locata upgrades to improve data management and reporting, as well as more effective service delivery.

### **NOTES:**

<sup>1</sup> Update 01/10/25 - s.106 agreements have been reviewed. A commuted sum has been secured for developments in Spelthorne; the usage of the sum is still under review with a range of options including purchase of affordable housing units which would improve opportunities to most vulnerable families on the Council's housing register. In addition, the Ashford Cemetery Lodge property is proposed to be used for long term affordable housing use. This property was renovated with the use of commuted sum funding. Also, some progress in discussions with Metropolitan Thames Valley Housing (MTVH) Registered Provider who intend to purchase the site at Hazelwood Drive in Sunbury for 100% affordable housing delivery - 63 units of various sizes with proposed start on site in Oct 2025 and completion within 20 months.

## Current mitigating actions:

As part of the Improvement and Recovery Plan, the Regeneration and Housing theme will consider all Council sites to determine those which should form part of a comprehensive disposals strategy across all Council owned land and property assets. Whilst it is expected Thameside House disposals will be taken to Council in October 2025, the timings for the disposal of Ashford MSCP, Oast House (including car park), Benwell Phase 2 and the Whitehouse residential development site may all be re-prioritised, now anticipated to be 2026. Additional work is being undertaken to accelerate the delivery of housing outcomes on these sites, as part of the Improvement and Recovery Plan.

Community Wellbeing and Housing Committee has approved a refreshed Housing, Homelessness and Rough Sleeping Strategy which, as part of the delivery plan, incorporated actions relating to the suggestions made. Progress against the agreed actions being reviewed on a quarterly basis by Strategic Housing Group.

Council continues to lobby for additional funding support in recognition of the resourcing and financial impact of more asylum seekers presenting in need of housing support - additional funding now received from government which helps to cover the cost of temporary accommodation for asylum seekers. Work will continue applying for Home Office funding and implementing wider schemes to provide additional support to refugees.

New counter fraud contract in place with Reigate and Banstead Borough Council, with a particular focus on countering tenancy fraud.

## Future actions:

**Type:** Mitigation

**Timeline:** Commence April 2024, revised in October 2025 and anticipated completion Spring 2026

**Description:** Identification and rigorous assessment of alternative Development Delivery Options for Council Owned Development Sites, to ensure they represent financially viable and sustainable solutions in delivering development targets. Finalisation and implementation of Member driven strategy for delivering housing outcomes across sites owned by the Council as approved by Business Infrastructure and Growth (BIG) Committee on 12th September 2024 and Council October 2024. This work is further being revised as part of the IRP and with an assets disposal programme to be agreed and with respect to housing sites this will include discussions with Registered Providers about interest to partner on council sites, plus development of a social value strategy with specific social value criteria purchasers must commit to as part of their submission of interest in purchasing sites.

**Status:** In Progress

**Comments:** Despite the guidance of the strategy, there are still differing views about the approach to progression of the sites. There is an aspiration to deliver affordable housing, however this is impacting the level of disposal receipts that can be obtained for the sites. This will now be taken forward in collaboration with the Commissioners as part of the broader Improvement and Recovery Plan.

**Type:** Mitigation

**Timeline:** January 2026

**Description:** Officers plan to deliver a Landlord Forum for landlords to share information, promote Spelthorne Rent Assured service and to engage with the community. The Forum will also cover the impact of the Renters Reform Bill.

**Status:** In progress

**Comments:** Timeline pushed back from Nov 2025 as still awaiting confirmation of when Renters Reform Bill will be enacted into law. Now anticipated to take place in Jan 2026.

**Type:** Mitigation

**Timeline:** October 2025 – March 2027

**Description:** The Council is due to submit the Improvement and Recovery Plan for Council approval in October 2025, which includes a Regeneration & Housing Theme.

**Status:** In progress

**Comments:**

**Risk Category: 1 - Housing – Delivering targets for housing development and affordable housing requirements**

**Risk Subject Area: B. Local Plan**

**Corporate Priorities: Addressing Housing Need**

**Risk Owner(s): Heather Morgan, Jane Robinson**

**Date of update: 9 June 2025**

**Previous Risk Score:**

**4**

**Current Risk Score:**

**4**

**Future Risk Score:**

**2**

## **Risk Description**

Delays in the examination and adoption of the Local Plan are likely to continue to adversely impact on the ability to bring forward the appropriate quantum of housing development (currently 618 dwellings pa). This lack of certainty means that the Council is not able to strategically direct where housing should be built and instead relies on schemes coming forward on an ad hoc basis. Some of these decisions may be taken out of our hands and dealt with by appeal. The lack of a plan does not give the landowners and developers the necessary confidence to bring forward sites for housing – our housing delivery is around 60 - 65% each year of what it should be.

The Local Plan process needs to be subject to robust independent challenge via Examination, to determine if it can be found 'sound'. There is a risk that post Examination, the Inspector does not find the Local Plan sound (with or without Modifications).

If the Local Plan cannot be found sound and adopted, then we will have to immediately produce a new Local Plan under the new NPPF with a higher housing number (755 pa) plus a 20% buffer for under-delivery bringing it closer to 1,000 per annum. This would mean considering options now around the release of more grey and green belt, more infill sites within the developed area or increasing the level of development in our town centres.

## **Current control actions:**

Planning regulatory framework.



Planning Committee, Officer presentations/professional advice and Member decision making.  
Planning policies and guidelines.

Council is working with Commissioners to deliver a realistic plan to deliver housing numbers outlined in its Local Plan, as part of the broader Improvement and Recovery Plan.

### Current mitigating actions:

The Local Plan relies on several significant sites within the Council's ownership coming forwards in Staines over the plan period. All schemes progressed on Council owned land will be considered against the flood risk to ensure appropriate mitigation is included within the scheme design. This will only apply where the Council has direct control. If a site is disposed of, it will be for the subsequent owner to ensure flood mitigation is in place. Flood risk mitigation will be integral to all decisions by councillors on joint ventures/partnerships on sites within Staines-upon-Thames.

### Future actions:

**Type:** Control

**Timeline:** Adoption of the Local Plan by end of 2025.

**Description:** Preparation and adoption of the new Local Plan to meet future housing need and strengthen policies around housing delivery (including via site allocations) and affordable housing.

**Status:** In progress

**Comments:** Examination held Jan/Feb 2025 with robust justification for the Plan put forward, alongside some suggested Modifications to overcome any areas of debate. The Council has undertaken a formal six-week consultation period on the Proposed Main Modifications. Responses went directly to the Inspector, who decides whether the Plan is sound or not. The final decision on whether to adopt will sit with Council. Main Modification responses have gone to the Inspector for his consideration. Groundwater concerns being raised by residents' groups, which Inspector has advised does not form part of his considerations on whether the Plan can be found sound or not.

Update 01.10.25 - Anticipated hearing from our Planning Inspector around two-weeks ago. Spoken to our Programme Officer twice a week and requested updates. Extraordinary E&S and Council meetings planned for the first two weeks of November, now likely to have to be moved.

**Risk Category: 2 - Economy**

**Risk Subject Area: National and regional threats to local economic prosperity**

**Corporate Priorities: Resilience**

**Risk Owner(s): Heather Morgan**

**Date of update: 3 October 2025**

**Previous Risk Score:**

**9**

**Current Risk Score:**

**9**

**Future Risk Score:**

**6**

## **Risk Description**

Risk of shrinkage of local economy.

Risk of increased local unemployment.

Risk of reduction in Business Rates and Council Tax income.

## **Current control actions:**

An Economic Prosperity Strategy (2023 – 2028) which was updated via an internal review in 2024, addresses the key actions which face the borough. It incorporates a detailed strategy action plan detailing performance management measures and anticipated outcomes. This will be refined as it has been decided to relocate the Business Incubator and incorporates the business support programme, to the Council Offices, Knowle Green. The performance of the business support service will be measured and included in the departments service plan.

Monthly monitoring of Collection fund - Business Rates and Council Tax collection rates. There is regular reporting of these to Corporate Debt Group and as part of quarterly KPI's to Councillors.

All the Shared Prosperity Fund projects to support economic regeneration have now been delivered, including (1) climate change audits (2) consultancy support to ensure businesses can be sustained (3) funding for employment and skills hub.

## Current mitigating actions:

Local mitigating measures taken by the Economic Development team include several measures to strengthen the resilience of local businesses in the face of future challenges - e.g. website design and increasing social media presence, energy efficiency measures, business networking and business to business support.

The Spelthorne Jobs and Skills Hub relocated to its new location (old Argos unit) in mid-August 2024. Considerable strides have been made to extend multi-agency working with other partners to assist residents getting back into work (best use of pooled resources)

A service plan for 2026/27 will be submitted to BIG committee in November which if approved, will ensure the ongoing operation of the very successful Jobs & Skills Hub (supporting over 1000 residents into work per annum). The Business Incubator will move its co-working facility and business support programme to the Council Offices, Knowle Green to continue the vital and valuable support to start-up and SMEs in the borough.

## Future actions:

**Type:** Mitigation

**Timeline:** End March 2026

**Description:** : Re-locate the co-working operation of the Business Incubator and business support programme from Sunbury (Hanworth Road) to the Council Offices, Knowle Green

**Status:** In progress (report will be submitted to MAT by end of October/ beginning November outlining the relocation plan)

**Comments:** Project team has been set up

**Type:** Mitigation

**Timeline:** End March 2026

**Description:** Securing a Business Improvement District (BID) for Ashford

**Status:** In progress (BIG Committee in September 2025 agreed to progress a proposal for a ballot for a BID in Ashford)

**Comments:** A tender process is scheduled for October 2025 to engage a consultant to manage the process of forming a BID Board, defining and creating a business plan, marketing and a ballot, scheduled for January/ February 2027, with bid levies added to business rate bills in April 2027. This will need the new Unitary Council support once the initial 5-year term is concluded.

**Type:** Mitigation

**Timeline:** End June 2025

**Description:** Apply for bid funding from Surrey County Council (SCC) for a Countywide one stop shop for employability support for all ages and circumstances (133,000 economically inactive across the County).

**Status:** Complete

**Comments:** We were unsuccessful in receiving funds for the service. Feedback is still being sought.

## **Risk Category: 3 – Financial Resilience and Commercial Assets**

### **Risk Subject Area: Commercial investment portfolio**

**Corporate Priorities: Resilience**

**Risk Owner(s): Coralie Holman**

**Date of update: 29 September 2025**

**Previous Risk Score:**

**9**

**Current Risk Score:**

**12**

**Future Risk Score:**

**6**

## **Risk Description**

Loss of rental income and increased costs.<sup>1</sup> Risk that longer term rental income streams may not be sufficient to cover future financing and management costs and to continue to be sufficient to provide a subsidy for the Revenue Budget. This is particularly a risk in the context of the need to apply revised Minimum Revenue Provision accounting treatment in response to the Best Value Directions.

There are additional risks in years when a number of leases across the portfolio may be up for renewal. If key commercial asset leases are not maintained or renewed this may have implications for maintaining flow of rental income.

Where asset holdings are aligned to a specific sector or location this could be impacted by wider externality factors and potentially present limitations in deriving optimal value.

Risks that costs of refurbishment and upgrades over time will cost more than anticipated. Longer term risks around ensuring assets continue to meet high environmental standards.

This may impact on the future financial sustainability of the Council, and our ability to deliver discretionary services, leading (worst case scenario) to the Council becoming financially unsustainable with associated reputational damage.

A key risk would be if sinking funds are not built up sufficiently to address potential future dips in rental income.<sup>2</sup>

Risk to delivery of services due to need to significantly reduce net subsidy from asset income.

## NOTES:

<sup>1</sup> *[Externalities i.e. economic factors which impact individual Business's accommodation strategies, plus inflation and subsequent geopolitical and trade turbulence, continue to increase the Council's exposure to financial risk, resultant from vacant property holding costs in the form of Service Charge and Business Rates liabilities with possible implications for the investment portfolio, including loss of anticipated rental income and increased costs from vacant space].*

<sup>2</sup> *[Under the previous MRP policy the Council was amortising MRP over 50 years now it is doing so over 20 years for investment assets; this reinforces the need to mitigate the impact of that change through undertaking a medium investment assets disposal programme that in turn changes the rationale for the reason for holding sinking funds reserves.*

## Current control actions:

The Council is working with Commissioners to agree a comprehensive Improvement and Recovery Plan and associated asset disposal/debt reduction programme.

Approved Capital Strategy includes key performance indicators with a particular focus on the investment portfolio. The investment portfolio has its own bespoke KPIs and Risk Register. Performance management measures – KPIs are reviewed annually and benchmarked against external, regional property indicators i.e. vacancy rates, market rentals, occupier demand. Governance reporting - Investment performance reported regularly to Councillors at Commercial Assets Sub-Committee, Business and Infrastructure Growth Committee and Corporate Policy and Resources Committee.

## Current mitigating actions:

Ongoing management of voids with a view to reducing the portfolio void rate. Assets team proactively working to fill voids quickly using external lettings agents, understanding market demand and the size of accommodation needed.

On 8th May 2024 DLUHC (now MHCLG) announced a Best Value Inspection process to review how the Council mitigates risk. The Best Value Inspection report was published in February, and the Council are now working with MHCLG appointed Commissioners. The Council is working with the Commissioners to develop a comprehensive commercial strategy in parallel with a revised financial strategy, with clear approaches to its investment and regeneration portfolios, The draft Improvement and Recovery Plan going to Council for consideration and approval on 23<sup>rd</sup> October sets out workstreams to address the Best Value Directions including a comprehensive investment assets disposal programme over the medium term.

Implementation of a medium-term assets disposal programme, in compliance with combined with writing down MRP at a shorter rate will reduce the time horizons over which the future unitary successor authority would be exposed to risks associated with the investment assets portfolio.

Proactive monitoring of key lease renewals to secure ongoing rental income or pursue options for alternative use. Assets team engage with tenants ahead of lease ends/breaks coming up. Two new team members recruited.

## Future actions:

**Type:** Mitigation

**Timeline:** 23 October 2025

**Description:** : Following publication of the Best Value Inspection report the Council is actively addressing the recommendations and working with Commissioners to agree a comprehensive Improvement and Recovery Plan (IRP) and associated asset disposal/debt reduction programme. The IRP will be presented to Council on 23 October 2025.

**Status:** In progress

**Comments:** None

## Risk Category: 4– Financial Resilience and Supporting Communities

### Risk Subject Area: A. Managing increased costs and demands for services

#### Corporate Priorities: Resilience

**Risk Owner(s): Daniel Mouawad, Terry Collier, Lee O’Neil**

**Date of update: 29 September 2025**

Previous Risk Score:

**9**

Current Risk Score:

**9**

Future Risk Score:

**9**

## Risk Description

Increased revenue costs due to external factors. <sup>1</sup>

The housing crisis continues to exert pressure on the Budget with the need to spend on temporary accommodation to support residents. This coincides with increased demands in other service areas, particularly with respect to issues such as Homes in Multiple Occupation (HMOs), implementing Renters Reform, responding to Heathrow Development Control Order and resourcing Local Government Reorganisation transition, leading to further growth bids for resourcing which are not financially sustainable or affordable unless these can be offset by savings and/or capitalised and funded from receipts or from reserves.

Reduced council tax and business rates income due to external factors. <sup>2</sup>

Risk that the Government in addressing national public expenditure pressures reduces funding available for local government and/or transfers funds away from councils such as Spelthorne as part of funding reforms, adding to the challenge of providing discretionary services. <sup>3</sup>

There is a risk that the current budget gaps will increase significantly:

- i. Following the national Budget on 26<sup>th</sup> November,
- ii. As the outcomes of local government funding reform and business rates reset becoming clear and the Local Government Funding Settlement is announced in December, and
- iii. Following analysis being undertaken as part of the Finance theme of the IRP to review accounting treatment of issues such as Minimum Revenue Provision to the extent that cannot be mitigated through debt restructuring and use of reserves.

Risk of not achieving planned savings targets.

Risk that required savings will impact on areas where there is the greatest demand.

Risk that savings identified are not sufficient, or are not fully delivered.

Risk of increased demand for services. <sup>4</sup>

Ongoing financial pressures, in worst case scenario, could lead to the Council becoming financially unsustainable or leave a sustainability challenge for a successor unitary council.

Risk of holding costs for development sites continuing to put pressure on the revenue budget. <sup>5</sup>

**NOTES:**

<sup>1</sup> *Significantly increased financial pressures faced by the Council, similar to other councils, arising from the recent inflationary pressures on fuel, gas and electricity, staff pay pressures, increased housing pressures, which are now anticipated to fall more slowly in 2026 than previously anticipated. Also awaiting outcome of the Budget on 26th November 2025.*

<sup>2</sup> *Potential risk as housing and cost of living crises continue to impact on households, more of them will struggle to pay council tax bills. Similarly, cost of doing business crisis may affect business rates income*

<sup>3</sup> *The Government In the provisional funding settlement expected in December will be confirming revised allocations of grants to Councils reflecting a revised methodology. Will create winners and losers with risk that a number of the Surrey councils will suffer funding reductions.*

<sup>4</sup> *Combined with reduced fee income and potential for lower collection rates of Business Rates and Council Tax, exacerbated further by the continuing cost-of-living crisis, this could have an impact on the Council's ability to deliver services as well as creating greater demands on community services, leading to a negative impact on the Borough's residents and communities (economic, social, physical and mental wellbeing).*

<sup>5</sup> *£7.5m holding costs per annum relating to the housing delivery schemes are continuing to be incurred until outcomes are delivered on the sites (this reflects the impact of Minimum Revenue Provision charges now being applied as a result of these sites being treated as surplus assets). This continues to have a significant financial impact on the Council's budgetary position. Moving forwards in 2025-26 the Council has ceased to capitalise interest costs so these costs will impact the Revenue Budget.*

**Current control actions:**

Financial impact assessment modelling undertaken as proactive measure.

Annual budget process incorporates review and scrutiny at several stages, including the informal all-Councillor budget briefings undertaken 3 times a year, setting out financial risks in context of budgetary position, informing budgetary process.

Annual budget process incorporates Officer and Member review and scrutiny at several stages with measures to support production of balanced budget. Service planning process integrates with annual budget process. Medium term financial strategy providing a framework for managing financial resources.



## Current mitigating actions:

Maintaining income streams through maximising the Council Tax base and inflationary increases to fees and charges where possible.

A revised Medium Term Financial Strategy setting out strategic options for managing and addressing budget gaps and risks will be brought to CPRC in November 2025 for consideration.

Finance and budget managers undertaking a comparison of services benchmarked unit costs to explore possibilities for savings.

The Council is working with Commissioners to implement an Improvement and Recovery Plan to achieve financial sustainability and to identify and close any short and long-term budget gaps across the period of its medium-term financial strategy (MTFS). This includes a robust multi-year savings plan that reflects the costs and risks identified in the BVI report and by external auditors.

Impact of any proposed savings on service delivery to be evaluated and considered prior to prioritisation and implementation. Any proposals to be agreed with Commissioners prior to presentation to Councillors.

Procurement Projects Board focused on delivering value for money from procurement.

Use of Local Authority Housing Fund to significantly mitigate housing pressures on the Council's revenue budget.

Governance and reporting arrangements. <sup>6</sup>

The Council maintains a Reserves Strategy, refreshed and reviewed every year by Corporate Policy and Resources Committee. A revised Reserves Strategy will be brought to CPRC and Council in November 2025. <sup>7</sup>

Monitoring levels of reserves used at SBC and key financial performance indicators. Benchmarking and analysis of other Surrey Boroughs and Districts use of reserves. Also benchmarking through LG Improve.

Medium term financial strategy (Outline Budget) providing a framework for managing financial resources, in a planned and pro-active way. <sup>8</sup>

The LGR transitional process will in the medium-term drive significant transformation savings.

### NOTES:

<sup>6</sup> Examples include progress reporting of Property Development projects to officer and Member groups. Specific reports are referred to BIG Committee to seek approval for progressing marketing to identify delivery partners most recently Ashford Victory Place and Thameside House.

<sup>7</sup> One aspect of this strategy is to ensure that sufficient cash backed revenue reserves are maintained to assist in offsetting any write-off of capital losses/capitalised costs to Revenue. In consultation with the Commissioners and the External Auditors, the Council will be writing off accumulated capitalised costs as part

of the 2024-25 accounts closure process. Further work in collaboration with the Commissioners is being undertaken to review and refine the Sinking Funds reserves model. This will inform the rate at which further funds need to be put into the Reserves. Further work, in collaboration with the Commissioners, is being undertaken to review and refine the Sinking Funds reserves model, This will inform the rate at which further funds need to be put into the Reserves.

<sup>8</sup> Enables measures to be implemented which may take time to deliver results ahead of when required. For example, the Council is expecting additional pressures in 2026-27 if a Fair Funding Review and Business Rates reset happens then.

## Future actions:

**Type:** Mitigation

**Timeline:** 23 October 2025

**Description:** Following the DLUHC review a Best Value Inspection was undertaken with a report published in February 2025. The Council will actively address the recommendations and work with the Commissioners. An Improvement and Recovery Plan to be presented to Council on 23 October 2025.

**Status:** In progress

**Comments:** None

**Type:** Mitigation

**Timeline:** 17 November 2025

**Description:** Progressing medium term financial strategy and efficiency savings plan.

**Status:** Council is working with the Commissioners and expert consultants to do a major refresh of the budget gap projections, and in parallel is undertaking a further review of MRP treatment

**Comments:** None

**Type:** Mitigation

**Timeline:** Up to March 2027

**Description:** Implementation of the Council's Transformation Programme

**Status:** In progress.

**Comments:** Whilst the work of the Reorganisation and Transformation Board has currently been put on pause by the Commissioners, some initial work has been undertaken to identify savings which could be implemented across services as part of the 2026-27 Budget. A more robust process for evaluating filling of vacant posts has been put in place which is resulting in the deletion of a number of vacant posts which will deliver ongoing savings.

**Type:** Mitigation

**Timeline:** Up to March 2027

**Description:** Engaging in the LGR implementation process to deliver transformation savings as part of the new unitary authority.

**Status:** In progress. Currently in the discovery and information sharing phase. Activity will step up significantly once the decision on the unitaries is announced at the end of October.

**Comments:** None

## Risk Category: 4 – Financial Resilience and Supporting Communities

### Risk Subject Area: B. Reducing debt

**Corporate Priorities: Resilience**

**Risk Owner(s): Ola Owolabi**

**Date of update: 29 September 2025**

Previous Risk Score:

**9**

Current Risk Score:

**16**

Future Risk Score:

**12**

### Risk Description

**NB. The Council has a clear Best Value Directive to significantly reduce its outstanding external debt by implementing a strict and comprehensive debt reduction programme.**

Risk that the Council cannot respond to unexpected events or factors presenting uncertainty, due to potential inability to borrow.

### Current control actions:

The Council is working with Commissioners to agree a comprehensive Improvement and Recovery Plan and associated asset disposal/debt reduction programme due to be considered and approved by Council on 23<sup>rd</sup> October 2025.

Treasury Management Strategy for 2025-26 approved by Council 27/2/25 with amendments to the prudential indicators.

Medium-term financial strategy providing a framework for managing financial resources. Investments with approved institutions as per policy and strategy.

Application of professional (CIPFA) Code of Practice and Prudential and Treasury Management Codes.

Regular engagement with the Council's specialist advisors at Officer and Member level to enhance knowledge, subsequently informing decisions. Group Leaders meet Arlingclose on a quarterly basis.

## Current mitigating actions:

The Council is actively working with Commissioners who have been appointed by MHCLG to work with the Council in addressing the recommendations from the BVI report in the form of the Improvement and Recovery Plan due to be considered and approved by Council on 23<sup>rd</sup> October 2025.

## Future actions:

**Type:** Mitigation

**Timeline:** 23 October 2025

**Description:** Council positively engaging with Commissioners to actively address the recommendations of the Best Value Inspection report and agree an Improvement and Recovery Plan to be presented to Council 23 October 2025.

**Status:** In progress

**Comments:** None

**Type:** Control

**Timeline:** November 2025

**Description:** At a meeting of Council in November 2025 a report will be presented proposing a revised Treasury Management Strategy and revised Minimum Revenue Provision Policy, alongside a Debt restructuring proposal linked to investment assets and regeneration assets disposals. This will set out how a significant debt reduction can be achieved without requiring the Council to seek Exceptional Financial Support.

**Status:** In progress

**Comments:** None

**Risk Category: 5 – Climate Change**

**Risk Subject Area: A. Climate Change threat, impact and response**

**Corporate Priorities: Environment**

**Risk Owner(s): Sandy Muirhead**

**Date of update: 22 September 2025**

**Previous Risk Score:**

**12**

**Current Risk Score:**

**12**

**Future Risk Score:**

**12**

## **Risk Description**

Climate change represents a significant global threat driving social and economic disruption with far ranging consequences for socioeconomic stability. Climate change and extreme weather events impact health and safety, food systems, supply chains & procurement, economic productivity, and losses. Recent data has provided further evidence of increasing global temperatures. The UK is equally likely to see weather extremes going forward impacting on the economy and actions required by the Council. Royal Meteorological Society has recently highlighted (14.07.25) that *'Record breaking and extreme weather has become increasingly commonplace in the UK as our climate has changed over the last few decades'* and that, *'the latest assessment of the UK's climate shows how baselines are shifting, records are becoming more frequent, and that temperature and rainfall extremes are becoming the norm'*.

Due to climate change, there is a specific risk to Spelthorne in terms of more extreme heat and increased flooding, besides the more global threats such as severe storms (threat to loss of life and limb) impacting locally, e.g. in times of severe flooding seriously draining the Council's resources.

If the Council is not pursuing measures or seeking positive opportunities to mitigate and adapt to climate change, it could result in criticism / bad press / public demonstration and additional organisational pressures may result in a loss of focus around climate change and green initiatives.

A lack of preparedness for impacts of climate change may lead to Council Services no longer being sustainable or in a suitable position to operate in the future.

Threat of possible increased in excess deaths due to extreme heat. The Met Office have recently issued a statement saying 2025 was the hottest summer on record.

## Current control actions:

Environment and Sustainability Committee developed an action plan as part of the climate change strategy to move the Council towards net zero carbon emissions, aiming to get to Net Zero for Scope 1 and 2 emissions by 2030.

The Environment and Sustainability Committee will continue to explore ways to meet a carbon neutral target, and to promote climate change as an issue that needs to permeate all Council areas to ensure SBC reduce their carbon footprint and adapt to climate change. As a result, there is a focus through project Green Horizon on reducing emissions from the Council and its operations and delivering this in as cost-effective way as possible.

Surrey County Council have developed a strategy on Climate Change referred to as Greener Futures Delivery Plan which the Environment and Sustainability Committee have supported. Spelthorne's Climate Change strategy is linked where appropriate to Greener Futures Delivery Plan.

Collaborative measures are required to support a coordinated approach to strategy implementation across the organisation and joint service projects are being developed.

Officers are continuing to roll out Carbon Literacy training days and participating staff have committed to a range of carbon saving pledges. The Council has reached bronze level in the carbon literacy hierarchy and is aiming for silver in 2025/26.

There is a Carbon Footprint section in Service Plans, providing an opportunity for departments to support the Council's commitment to reducing carbon emissions and explain how they intend to adapt elements of their service delivery to achieve this.

## Current mitigating actions:

Some funding resources have been secured to support strategy implementation, and these are being allocated and targeted to reduce the carbon footprint of the Council to help ensure SBC and its unitary authority successor are net zero by 2030. The Council will continue to seek alternative funding to continue to develop schemes to meet net zero targets and these are being worked up in terms of carbon sequestration within the Borough to help define how close we can get to the zero target by 2030.

The Corporate Plan has key actions on climate change and is supported by the Climate Change Strategy and associated actions which require services to address the net zero targets the Council has set.

Funding resources have been secured to support strategy implementation through the Green Initiative Fund. These are being allocated and targeted to reduce the carbon footprint of the Council to help ensure SBC are net zero by 2030. Though many measures are invest-to-save, the current

Council financial position may limit opportunities but there is a move to bring forward some spending on 'green' projects through Project Green Horizon.

The Council within its adverse weather plan and overarching emergency plan lays out how it would cope with drought and heat stress. A multi-agency flood plan covers how we would (with other key agencies) deal with significant flooding affecting Spelthorne's residents.

## Future actions:

**Type:** Control

**Timeline:** Amended to May 2026 (subject to Local Plan agreement)

**Description:** Within the legal constraints it is intended to implement the proposed supplementary planning guidance (SPD) to assist in future properties being better adapted to both heat and cold. However, for the SPD to move beyond guidance to having more weight in the planning process is dependent on implementation of the Local Plan.

**Status:** Outstanding as reliant on implementation of the Local Plan

**Comments:** The guidance is helpful in demonstrating what can be done to improve the resilience of properties to climate change.

**Type:** Control

**Timeline:** November 2025

**Description:** To build on Greener Futures climate adaptation strategy and incorporate actions into our climate change strategy.

**Status:** In progress

**Comments:** Adaptation strategy development in progress and will be taken to Committee in autumn 2025.

**Type:** Mitigation

**Timeline:** Continuing through to March 2027

**Description:** Training of staff continues to raise awareness and enhance understanding of Climate Change issues across the Council (staff and Councillors) so they are embedded into day operations

**Status:** In Progress

**Comments:** None

**Risk Category: 5 – Climate Change**

**Risk Subject Area: B. Integration into decision making and targets**

**Corporate Priorities: Environment**

**Risk Owner(s): Sandy Muirhead**

**Date of update: 22 September 2025**

**Previous Risk Score:**

**8**

**Current Risk Score:**

**8**

**Future Risk Score:**

**6**

### **Risk Description**

Where integration into wider Council decision-making is not evident this reduces the effectiveness of holistic approaches in delivering Spelthorne's strategy.

Inadequate mechanisms for monitoring and reporting on status provides limited insight regarding keeping on track in pursuing net zero carbon emissions and wider government reporting requirements.

Local Government Reorganisation could impact on delivering net zero targets especially if other councils joining within any future unitary do not have the same ambitions as Spelthorne.

### **Current control actions:**

All Committee reports include a section on Sustainability and Climate Change considerations which should be reflected upon by report authors to identify both positive and adverse impact of proposals being put forward by Officers requiring a Member decision.

Through carbon literacy training of staff and the climate change and sustainability officers working with services across the Council, climate change is becoming embedded in service delivery. A Climate Change Working Group made up of a cross-party group of elected Members will continue to focus on monitoring of actions towards carbon neutrality and initial assessment of ideas.

Officer updates to Members on the progress of the Climate Change Action Plan.

Annual Reporting of Carbon Emissions to Surrey County Council.

Annual KPI reporting.



## Current mitigating actions:

Ongoing monitoring of climate change strategy and Corporate Plan actions can ensure climate change mitigation and adaptation is incorporated into day-to-day Council projects/activities.

To use Project Horizon to channel focus on projects which make a significant contribution to reducing the Council's carbon footprint.

Benchmarking and/or analysis of comparative energy savings achieved across Surrey Districts and Boroughs to assess how Councils align in terms of climate change activities in readiness for Local Government Reorganisation.

Ensure delivery of Corporate Plan actions to assist in mitigating climate change and reducing the Council's carbon emissions using the corporate plan action tracker.

## Future actions:

**Type:** Control

**Timeline:** December 2025

**Description:** Mandatory Carbon literacy training programme underway across the Council to continue so we can achieve silver accreditation with bronze level already being achieved.

**Status:** In progress

**Comments:** None

**Type:** Mitigation

**Timeline:** December 2025

**Description:** To build on Greener Futures climate adaptation strategy and incorporate actions into our climate change strategy.

**Status:** In Progress

**Comments:** As the climate changes the Council and residents need to adapt to climate change. A framework for adaptation is currently being put together to take to Committee in the autumn. The framework will identify actions which can help the move to adapting to future climatic differences to the historic "traditional English climate". This will be linked to the overarching climate change strategy.

## Risk Category: 6 – Corporate Capacity, Resources, Recruitment and Retention

### Risk Subject Area: A. Corporate Capacity

**Corporate Priorities: Resilience, Services**

**Risk Owner(s): Sandy Muirhead**

**Date of update: 22 September 2025**

**Previous Risk Score:**

**12**

**Current Risk Score:**

**12**

**Future Risk Score:**

**9**

### Risk Description

Increased workloads due to national and local policy decisions. Any additional funding provided may not be sufficient to cover work required and shortage of professionals in marketplace may make it even more difficult to get sufficient staff to cover requirements.

Current areas of work with potential to increase risk include:

- Ongoing pressures on resources due to work associated with Local Government Reorganisation (provision of data and associated transition work).
- Follow up work to deliver the Council's Improvement and Recovery Plan.
- Additional work which will be needed following the Government's confirmation of support for a 3<sup>rd</sup> runway at Heathrow.
- Specific service area pressures due to increased workloads and staff resourcing challenges, e.g. in Environmental Health, Building Control and ICT, and
- Other priority workstreams specified by Members, e.g. Houses in Multiple Occupation, which has increased pressure on the Environmental Health Team, in particular.

Tasks are exceeding ability to deliver in certain areas, especially in services where it is difficult to recruit staff. Corporate capacity remains under strain in 2025.

Overstretched capacity could lead to increased staff fatigue / burnout / sickness levels arising. This may impact further on employee stress levels and mental / physical wellbeing, which may also lead to reductions in expected service delivery and reduced morale, especially with pressure to complete more tasks over and above planned work.

Overstretched staff may feel encouraged to leave to move to less demanding roles in other areas including the private sector and this has been recently exacerbated in certain areas by work associated with the Improvement and Recovery Plan/Best Value work.

Availability of external roles, especially better paid roles. The Council struggles to keep up with increased pay in roles in the sector as a whole. Market shortages in some professional areas continues to lead to recruitment difficulties for establishment posts and agency staff. Agency staff costs are higher, meaning increased expenditure or reduced capacity working within existing budgets.

Risk of Member/officer relationship issues affecting staff morale and performance.

### Current control actions:

Management to address workload issues across teams, with continued prioritisation of tasks and redeployment of resources where possible.

Corporate performance management systems operating across various levels, intended to promote golden thread and support delivery of corporate priorities and objectives.

Annual Service Planning refers to capacity pressures being experienced/foreseen by Service Managers/Group Heads (under risks section), so that any remedial action can be proposed and discussed.

Approval for additional budget/resourcing sought where required to meet critical business need (e.g. funding for additional officers for Environmental Health to tackle high levels of work on HMOs)

### Current mitigating actions:

Various support systems operating in promoting and supporting staff wellbeing e.g. Carefirst.

Corporate performance management systems operate across services with a view to promoting the Corporate Plan and associated actions translated into tasks; but also, to ensure staff are managing workloads and priorities. There is a need to build in more performance monitoring following Improvement and Recovery Plan. This will be achieved through the Improvement and Recovery Board. Careful service planning and prioritisation used and quarterly KPI monitoring which can be used with the continuous performance monitoring process to monitor both staff and service performance.

External resourcing (through agency staff/contractors) used where necessary to address staff shortages in critical areas.

Management and HR monitoring of sickness absence levels related to stress or overstretched capacity provides corporate insight that could indicate any further remedial action required. Identifying efficiencies and progressing transformation

This also overlaps with the other risks in this category relating to recruitment and retention. See Risk subject area 6b. re recruitment and retention measures.

### Future actions:

**Type:** Control

**Timeline:** March 2027

**Description:** Demand management and developing approaches to measure and monitor demand levels across the Council; but need to recognise that demand management is not always easy due to for example extra people presenting as homeless putting more demand on housing staff or extra government requirements e.g. Renters Rights Reforms.

**Status:** Outstanding

**Comments:** All managers try to provide some balance in terms of staff workload but there often demand factors which arise from external sources and may be difficult to predict. Recent budget works and demands from best value process have put extra strain on staff. Local Government Reorganisation and the possible impact of BVI Commissioners on workload and morale. Ongoing issue which senior managers are trying to mitigate through reassurance and regular updates on current situation.

**Type:** Control

**Timeline:** March 2027

**Description:** Continue to monitor ongoing work pressures and identify where additional resources required to meet critical business needs, e.g. delivery of Improvement and Recovery Plan and other priority areas.

**Status:** In progress

**Comments:** Continuing to face challenges sourcing staff/contractors in some professional areas (e.g. Environmental Health), even where financial resources provided to recruit.

**Type:** Mitigation

**Timeline:** March 2027

**Description:** Consider partnerships and other alternative options for service delivery where critical resource/resilience pressures (e.g. for Building Control)

**Status:** In progress

**Comments:** May be options for partnering with other authorities that form part of any new unitary authority proposed under LGR, prior to implementation in April 2027

## **Risk Category: 6 – Corporate Capacity, Resources, Recruitment and Retention**

### **Risk Subject Area: B. Recruitment and Retention**

**Corporate Priorities: Resilience, Services**

**Risk Owner(s): Sandy Muirhead**

**Date of update: 22 September 2025**

**Previous Risk Score:**

**12**

**Current Risk Score:**

**12**

**Future Risk Score:**

**12**

### **Risk Description**

Unsuccessful recruitment and ongoing unfilled vacancies in a challenging and competitive labour market leads to reduced availability of technical skills and relevant expertise is spread more thinly across services. The Council continues to experience significant difficulty trying to recruit to key roles (e.g. Environmental Health, Building Control, ICT, payroll). Staff shortages further exacerbate workload pressures across teams. The consequences of this risk are set out earlier under corporate capacity.

Failure to identify 'red flags' in applications for employment and/or through interview process could result in inappropriate recruitment decisions leading to issues during probation.

Ineffective or inappropriate recruitment exacerbated by the skill shortages within the local government market could result in appointments that fail to effectively meet business need, leading to reduced service quality and/or periods of ongoing vacancies which puts extra demands on staff and HR resources especially in terms of employment cases.

The Government's plans for Local Government Reorganisation, may lead to loss of some staff and difficulties recruiting to vacant posts, particularly as Spelthorne with Surrey is included in the first wave of the programme. There is also a risk some staff may be lost as a result of the BVI process.

### **Current control actions:**

Several measures have been underway for some time and previously reported. These relate to HR policies, financial enhancements for hard to fill posts, development and upskilling opportunities,

schemes to support staff wellbeing, hybrid working patterns and flexible working arrangements to attract and incentivise staff to modern working practices, staff pay reviews, HR professional networking forums with a view to applying best practice learnt.

Staff and member feedback including commissioning annual surveys to ascertain key concerns, issues and promote continuous improvement measures. A staff survey undertaken in 2024 had a very high participation rate and results reflected a high level of satisfaction with work/values within the services.

Staff communication plan on Local Government Reorganisation (LGR) to be developed and maintained throughout the transition process. CARE first offering to be enhanced with a programme to assist staff on the current establishment to prepare for the opportunities that a larger unitary authority may offer.

### Current mitigating actions:

Where recruitment into posts is not possible, appointment of interims or agency staff are undertaken to ensure continuity in the services and enable continued delivery of the service concerned.

Training has been provided for managers who will be involved in recruitment process to enable them to spot 'red flags' on applications/during interviews etc. Suitably trained manager/member of HR staff to be involved in all interviews. Probation periods are used where possible to enable more effective evaluation of new staff.

There is a possible need to increase the use of agency staff where recruitment issues develop due to LGR. Use of honorariums for existing staff where they are required to step up to cover work of vacant posts.

A training programme is being developed to help staff through Local Government Reorganisation.

As LGR progresses there may be staff leaving/retiring which may result in posts having to be filled with interim staff.

### Future actions:

**Type:** Mitigation

**Timeline:** March 2027

**Description:** To continue to advertise in all service relevant journals to ensure maximise opportunities for those seeking roles to see relevant adverts.

**Status:** In progress

**Comments:** None

**Type:** Mitigation

**Timeline:** March 2027

**Description:** Continue to explore new and innovative recruitment and retention strategies in a competitive market. This includes workplace flexibility.

**Status:** In progress

**Comments:** None

**Type:** Mitigation

**Timeline:** March 2027

**Description:** Continue to draw optimal value from all relevant hubs of expertise including externally conducted research in continuing to facilitate and promote a holistic approach to responding to recruitment and retention challenges and future-proofing the Council's workforce.

**Status:** In progress

**Comments:** Recruitment team and officers are looking at all options for advertising roles but also including opportunities to appoint apprentices and train from within.

**Type:** Control

**Timeline:** March 2027

**Description:** Maintaining an effective communication plan with staff re LGR/BVI and offering enhanced support/development opportunities through the CARE first programme, will assist in retaining some staff as the transition to the new unitary authority progresses.

**Status:** In progress

**Comments:** Action timeline based on Surrey in first wave of Councils undergoing LGR.

**Type:** Mitigation

**Timeline:** March 2027

**Description:** Seek possible partnership/sharing opportunities with Councils forming part of a new unitary.

**Status:** To be implemented

**Comments:** Cannot be fully implemented until clear which Councils will form new unitary with Spelthorne.

**Risk Category: 7 – Equality, Diversity and Inclusivity**

**Risk Subject Area: Coordinated approach to legislative requirements**

**Corporate Priorities: Resilience, Environment, Services**

**Risk Owner(s): Sandy Muirhead**

**Date of update: 22 September 2025**

**Previous Risk Score:**

**6**

**Current Risk Score:**

**6**

**Future Risk Score:**

**6**

## **Risk Description**

If there is a failure to effectively adhere to the Equality Act (2010), this could lead to workplace practices and delivery of services that fail to incorporate necessary principles, standards and requirements in promoting equal opportunities, diversity and inclusivity. This may increase risks of discriminatory practices, and consequentially the Council could be subject to complaints or even claims resulting in reputational damage.

If there is insufficient resource, skills or expertise to develop, promote and support implementation of E, D & I standards, progress in driving change and positive impact through a structured and coordinated approach may be limited.

## **Current control actions:**

Training mechanisms to raise awareness and understanding such as the online Workrite module. Seeking further training options for 2025.

All Committee reports include a section on Equality, Diversity and Inclusivity considerations to ensure this area is embedded into Council decision making. It should be carefully reflected upon by report authors to identify any implications and whether there is any specific impact for proposals being put forward requiring a Member decision.

Communications and engagement with staff, Members and the public to recognise and celebrate diversity.



Champions (staff reps) to explore further positive approaches relating to E, D & I. Inclusivity Working Group meets regularly.

Corporate Values (PROVIDE) are incorporated into the Council's equality and diversity objectives together with an internal equality and diversity policy.

An Equality, Diversity and Inclusivity 'Statement of Intent' document has been reported. Internal and external websites have been updated with Equality and Diversity policy and statement published.

### Current mitigating actions:

An Equality and Diversity audit was undertaken in November/December 2024 and completed May 2025. The audit identifies further areas of work/actions to be carried out with appropriate timelines. A draft equality diversity and inclusion strategy has been produced for initial comment to address one of the actions. All actions from the audit have clear timelines and the Council is ensuring these are met subject to resource availability.

Group Heads ensuring staff complete the annual mandatory Workrite training to mitigate the risk of training not being completed.

Equality Impact Assessments are completed as a requirement on initiation of new projects and strategies.

Council participated in Race Equality Week and promoted important messages to all staff.

Ensuring "celebration" of key events, for example PRIDE month, and that these are raised at staff meetings (including relevant presentations on relevant subjects), along with further communications.

Section on EDI including reference to LGBT+ community included in induction seminar for new staff completed.

### Future actions:

**Type:** Control

**Timeline:** October 2025

**Description:** An audit has been undertaken which assists in identifying the resource required and better enable allocation of the resource needed. A draft strategy has been produced and timelines of achieving various milestones associated with the audit report are clear. This strategy needs to be commented on internally and then taken to Committee. To address key reporting actions in the audit an officer has been assigned to undertake this task in human resources.

**Status:** In progress

**Comments:** The audit actions have been noted, a timeline developed, and officers allocated to deliver on the actions within the audit report.

**Risk Category: 8 – Local Government Reorganisation**

**Risk Subject Area: A. Strategic decisions**

**Corporate Priorities: Resilience, Environment, Services**

**Risk Owner(s): Daniel Mouawad, Lee O'Neil, Terry Collier**

**Date of update: 1 October 2025**

**Previous Risk**

**16**

**Current Risk Score:**

**16**

**Future Risk Score:**

**12**

## **Risk Description**

The governance structure at Surrey County Council has previously presented limited opportunities for Spelthorne to influence future shaping and direction within the wider Surrey landscape, e.g. in relation to the County Deal. This presented the risk of strategic decisions being made that were not in the best interests of Spelthorne's residents and local communities. With Surrey confirmed in the first wave of Local Government Reorganisation (LGR), the risk remains that Spelthorne will have very limited ability to influence the future shaping of any new unitary authorities and the level/quality of services that the new unitary Council for our area will provide for our residents and businesses.

Government plans for LGR will mean that Spelthorne will no longer exist as a sovereign authority from April 2027. This will fundamentally affect the Council's ability to deliver many of its planned actions under the Corporate Plan 2024-28. Failure to engage with the LGR process would increase the risk of not delivering the best outcomes for Spelthorne's residents and businesses.

## **Current control actions:**

Spelthorne will have no control over the implementation of LGR by the national Government. SBC can therefore only seek to mitigate the effects on the borough and its residents/businesses.

The Administration Group Leaders have reviewed the deliverability of the outstanding planned actions under the Corporate Plan and have advised on those that they propose to cease. They are also currently working with officers on developing any new/revised proposals to be delivered within available resources before Spelthorne ceases to exist as a sovereign authority, prior to discussing options with the Commissioners. Any planned changes will need to be approved by the Corporate Policy and Resources Committee. Any revised action plan will be kept under review to confirm its deliverability in light of any future resourcing pressures.

## Current mitigating actions:

Spelthorne to engage fully with the LGR process on a county-wide basis (initially through the Surrey Leaders' Group) so that Council can deliver best possible outcomes for its residents and businesses.

The Council is reviewing its priorities and planned actions under the Corporate Plan to ensure any remaining actions are deliverable within the limited timeframes it remains as a sovereign authority.

A Reorganisation Board was established to formulate, co-ordinate and manage the Council's engagement with Surrey Local Government Reorganisation (LGR) and devolution proposals and make recommendations to CPRC/Council. This Board's role also included overseeing the Council's Transformation Programme to ensure that this aligned with that process. Meetings of this Board have been paused pending a review to ensure it is fit for purpose for both LGR work and meets Commissioners' expectations in relation to the wider Improvement and Recovery Plan.

The Council needs to have a clear view on its priorities for any future collaboration (or not) against the backdrop of LGR. Even though Spelthorne will no longer exist as a sovereign authority from April 2027, there will be a need to deliver services and manage budget pressures until that date. The Outline Budget report presented to CPRC in December 2024 flagged up the need to deliver a corporate transformation programme to deliver efficiencies and savings - and collaboration remains one strand of this. New opportunities to collaborate may need to be considered to deliver resilience in some service areas (such as Building Control) and existing partnerships may need to be reviewed. Challenges may exist in finding suitable partners and agreeing suitable collaboration arrangements in such circumstances in view of the timescales for LGR (until Councils forming new unitary are known).

£500,000 budget for reorganisation built into 2025-26 Budget.

## Future actions:

**Type:** Mitigation

**Timeline:** March 2027

**Description:** Planning for potential change and ascertaining transitional and future arrangements for service delivery, decision making and strategic direction in light of Local Government Reorganisation (LGR).

**Status:** In Progress

**Comments** Leader is in active discussions with other Surrey Leaders to formulate their approach to formation of new unitary authorities for Surrey. Surrey CXs continuing to discuss practical implementation pending further guidance from Government.

**Type:** Mitigation

**Timeline:** January 2026

**Description:** Refreshed Corporate Plan to be developed and agreed by Council to cover remaining period up until March 2027.

**Status:** In Progress

**Comments**

## Risk Category: 8 – Local Government Reorganisation

### Risk Subject Area: B. Managing Change

**Corporate Priorities: Resilience, Environment, Services, Community, Addressing Housing Need**

**Risk Owner(s): Lee O’Neil, Terry Collier, Daniel Mouawad**

**Date of update: 1 October 2025**

Previous Risk Score:

**16**

Current Risk Score:

**16**

Future Risk Score:

**12**

## Risk Description

If there is a lack of clarity or unified understanding around the wide-reaching implications of Local Government Reorganisation (LGR), this could make the task of planning, managing, communicating and implementing change challenging.

The Council will need to consider how to prioritise work which will be required to feed into the LGR process alongside need to continue delivering services and efficiency savings.

The Government's plans for Local Government Reorganisation present a major risk to the Council's operational activities and planned projects/actions under the Corporate Plan if organisational change is not managed effectively. Additional pressures and uncertainties for staff may result in loss of personnel and difficulties recruiting replacements.

## Current control actions:

Ensure the appropriate level of resources (capacity and appropriately skilled staff) are put in place and time is freed up from other parts of the organisation involved in the change management process if no additional financial or staff resources are available. This will require tough decisions on what not to do, or to deliver in another way on a temporary basis. A risk-based approach will need to be applied to this work.

## Current mitigating actions:

Although the Council may not be able to control the changes required as part of the LGR process, it can, through development of an effective change management plan/strategy, mitigate the impacts on staff and the wider organisation, minimise the risk of service disruption and maximise the opportunity to deliver a range of planned actions/projects, before the transition into a larger unitary authority.

Collaboration with partners may be necessary to deal with any resilience issues that may arise in the run-up to the unitary authority taking over responsibility for services.

### NOTE:

*Data collection already underway to support process with Single Point of Contact (SPOC) (Deputy Chief Executive) coordinating this Council's information to be sent through to Borough/District Project Management Office.*

## Future actions:

**Type:** Mitigation

**Timeline:** March 2027

**Description:** Planning for potential change and ascertaining transitional and future arrangements for service delivery, decision making and strategic direction. Effective change management strategy/plan to be developed/implemented once further information is received on the LGR process/timetable.

**Status:** In progress

**Comments** Initial limited guidance on process contained in Government Ministerial letter of 5 February 2025. Awaiting more detailed guidance.

**Risk Category: 9 – Response to External Audit/Best Value Inspection Recommendations**

**Risk Subject Area: Value for Money/Audit Findings**

**Corporate Priorities: Resilience, Environment, Services**

**Risk Owner(s): Terry Collier, Lee O'Neil, Daniel Mouawad**

**Date of update: 1 October 2025**

**Previous Risk Score:**

**12**

**Current Risk Score:**

**12**

**Future Risk Score:**

**6**

**Risk Description**

**NB.** Following the publication of the Council's Best Value Inspection report the Government, in a letter to the Chief Executive dated 8 May 2025, advised that it would appoint Commissioners to Spelthorne Borough Council. The level of Commissioner-led intervention specified in the Directions is outlined in that letter. The Commissioners have been appointed, and the Council has been working with them to finalise an Improvement and Recovery Plan to address the issues raised in the Best Value Inspection report, the Best Value Directions and the 2023-24 External Auditor recommendations. The Improvement and Recovery Plan is due to be considered by Council on 23<sup>rd</sup> October 2025 for approval

Most decisions remain with the Council, but the Commissioners will uphold proper standards and due process, and recommend action where needed.

There is a risk that the Commissioners could directly intervene in any planned decisions which are not compatible with the requirements of Ministerial Best Value Directions.

Similarly, failure to respond effectively to address the recommendations in the External Audit Reports could result in statutory recommendations and intervention by the Commissioners which would also risk damaging the reputation of the authority. In the context of Surrey Local Government, the Council has a responsibility to ensure that external auditor concerns are addressed and to ensure that by the 2026-27 Accounts are audited that the successor unitary is receiving accounts with clean audit opinions

Failure to address the recommendations could expose the Council to financial and governance risks.

### Current control actions:

Prior to the arrival of the Commissioners in May 2025, a Consolidated Action Plan was presented to 8<sup>th</sup> May Audit Committee drawing together actions relating to Public Interest Report, CIPFA Capital Assurance review, LGA Corporate Peer Challenge report, External Auditor Annual Report 2023-24, External Auditor Audit Findings report 2023-24 and Best Value Inspection report. This was to ensure that all recommendations are being addressed, owned by an appropriate officer, with Cllr leads identified, with clear timescales for completion. Working with the Commissioners team this approach has now been superseded by the drafting of the Improvement and Recovery Plan (IRP) addressing the Best Value and External Audit Recommendations. The IRP will be the delivery mechanism by which the Council will ensure the issues are addressed with identified Senior Responsible Officers held accountable for progress and regular review by an Improvement and Recovery Board chaired by the Lead Commissioner. There will be quarterly monitoring report going to both Corporate Policy and Resources Committee and Audit Committee.

### Current mitigating actions:

None

### Future actions:

**Type:** Control

**Timeline:** 23 October 2025

**Description:** Improvement and Recovery Plan (IRP) to be developed and agreed by Commissioners and approved by CPRC/Council

**Status:** In progress

**Comments:** A draft IRP has been developed and discussed with the Commissioners. Workshops have been completed for each of the five main themes of the plan and the plan is due to go to CPRC and Council in October 2025.

**Type:** Control

**Timeline:** March 2027

**Description:** Council to fully engage and work with the Commissioners to implement all aspects of the Improvement and Recovery Plan

**Status:** In progress

**Comments:** None



**Risk Category: 10 – Contract Management**

**Risk Subject Area: Contract Management**

**Corporate Priorities: All priorities**

**Risk Owner(s): Linda Heron**

**Date of update: 12 September 2025**

**Previous Risk Score:**

**N/A**

**Current Risk Score:**

**8**

**Future Risk Score:**

**8**

## **Risk Description**

Ineffective contract management and performance monitoring resulting in:

- Failure to achieve contractual KPIs
- Failure to deliver contractual benefits and service delivery
- Failure to achieve compliance
- Exposure to liabilities
- Financial penalties
- Failure to renew or terminate contracts in a timely manner

## **Current control actions:**

Service departments:

- Maintain and consider active contracts and liaise with the Procurement / Legal team as appropriate
- Inform the Procurement Board of planned new contracts / renewals
- Conduct performance review meetings

## **Current mitigating actions:**

Procurement Team maintains Contracts Register.

Legal Team reviews all contracts to the value in excess of £5,000.

## Future actions:

**Type:** Control

**Timeline:**

1-4 below - from January 2026 (provided joint working arrangement with RBC is approved / proceeds as planned)

**Description:**

1. Regular (once monthly) review of the contracts register and alerts to the designated contract owner and / or the relevant Group Head
2. System for monitoring key dates (renewal / expiry / break date) to prevent unintended renewal
3. Initial staff training followed by regular (yearly) updates
4. Procurement Team regular (quarterly) audit of compliance and performance

**Status:** In progress

**Comments:**

## APPENDIX B – Updated risk subject areas and changes to Corporate Risk Register risk scores since last Committee update

Risk category	Risk subject area	July 2025			October 2025		
		Impact score	Likelihood score	Combined score/RAG	Impact score	Likelihood score	Combined score/RAG
1 Housing – Delivering targets for housing development and affordable housing requirements	a. Addressing affordable housing supply and demand to meet local need	3	4	12	3	4	12
	b. Local Plan	2	2	4	2	2	4
2-Economy	National and regional threats to local economic prosperity	3	3	9	3	3	9
3-Financial Resilience and Commercial Assets	Commercial investment portfolio	3	3	9	4	3	↑ 12
4-Financial Resilience and Supporting Communities	a. Managing increased costs and demands for services	3	3	9	3	3	9
	b. Reducing debt	3	3	9	4	4	↑ 16
5-Climate Change	a. Threat, impact and response	3	4	12	3	4	12

Risk category	Risk subject area	July 2025			October 2025		
		Impact score	Likelihood score	Combined score/RAG	Impact score	Likelihood score	Combined score/RAG
	b. Integration into decision making and targets	2	4	8	2	4	8
6- Corporate Capacity, Resources, Recruitment and Retention	a. Corporate capacity	3	4	12	3	4	12
	b. Recruitment and retention	3	4	12	3	4	12
7-Equality, Diversity and Inclusivity	Coordinated approach to legislative requirements	2	3	6	2	3	6
8- Local Government Reorganisation	a. Strategic decisions	4	4	16	4	4	16
	b. Managing change	4	4	16	4	4	16
9- Response to External Audit/Best Value Inspection Recommendations	Value for Money/Audit Findings	3	4	12	3	4	12
10-Contract Management	Contract management	N/A	N/A	N/A	2	4	8

**NOTES:**

When assessing the Council’s risks in terms of likelihood and impact, we take into account the national and global picture for wider externalities such as the macroeconomic environment and geopolitical factors. Spelthorne’s operations remain influenced by these external challenges and pressures, as is the case for other Councils. Due to these externalities, there are many activities that the Council cannot directly control/mitigate, or influence and continued recognition is important. **Red** risks require prompt, planned management action **Amber** risks require planned management action **Green** risks are accepted risks.

How risks are scored: We assess and score risks, with their current controls and current mitigations in place, for likelihood and impact as shown below: Impact can be measured in many ways and will be specific to what you are assessing, but the most common are on objectives, finance, and reputation.

IMPACT	4 Catastrophic				
	3 Major				
	2 Medium				
	1 Trivial				
		1 Rare	2 Unlikely	3 Likely	4 Almost certain
LIKELIHOOD					

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