APPENDIX 1 - COVID-19 - Risk Assessment

Key categories of risks which continue to emerge and evolve are set out below. The likelihood and impact columns have been populated. Please refer to the bottom of this document for the 'Risk Matrix' and plotting of these particular risks to determine relative significance and prioritisation.

Risk Area	Likelihood	Impact	Control Measures / Mitigation	Risk or Issue Action Plan & Further Considerations (Including Residual Risk)
A. (i) Business continuity and Operational Resilience <mark>Yellow Risk</mark> Risk – Unable to deliver critical, essential or non-essential Council Services, resulting in diminished provision to community/stakeholders	2	3	Business Continuity Plans invoked. V-BEC (Virtual Borough Emergency Centre) forum with daily briefings for first 110 days of the emergency. Collaboration across Services and with the Local Resilience forum. Majority of staff continue to work from home (except for some key frontline workers where this is not possible) in accordance with government guidance to reduce the risk of virus spread and relieve pressures on the NHS, whilst ensuring continuous delivery of Services. Different ways of working are in place with skype calls and remote/virtual meetings, also used for some Committee meetings with Members. IT helpdesk provision/equipment and kit reviewed. Higher risk employees identified at the outset (instructed to work from home in the first instance (17 March) in accordance with government guidance. As part of the draft COVID-19 Recovery Policy arrangements are being put in place for medium term for significant proportion of staff to continue	Scope for Business Continuity Plans to be further reviewed and updated in due course. Group Heads and Managers requested to review operational resilience and resourcing in addressing demand arising from COVID-19. Council is using alternative technological options for virtual meetings and a staff survey has been undertaken to identify IT equipment needs to promote further efficiencies. There is a residual risk associated with some frontline operational areas (such as Neighbourhood Services) where remote working is not possible in delivering essential services to the public. Links to separate risk category on Health and Safety.

			to work from home. Additional ICT kit and furniture being purchased.	
			Pandemic forecasting and modelling to assist planning.	Undertaken at national and local level under the Local Resilience Forum.
A.(ii) Business continuity and Operational Resilience **Yellow Risk** Risk – Inadequate or delayed preparation for recovery phase and resumption planning, impacting on Service delivery	2	3	Recovery planning has been considered with an acknowledgement of entering into 'a new normal' rather than reverting to how things were operating prior to the pandemic. The Root and Branch team have consulted Managers across all Services on arrangements in planning for recovery. There are increasing demands in some Service areas, as well as changes to how Services are used by communities/delivered and this is likely to be ongoing. A phased approach for the Council's recovery is envisaged- draft Internal Recovery Policy has been produced. Measures will continue to be applied to promote health, safety and wellbeing of staff, residents, local communities and businesses during the recovery phase. New ways of working will also be captured as part of recovery to ensure benefits and opportunities continue to be realised.	Planning for some form of new normality as lockdown is relaxed remains challenging due to ongoing uncertainty, potential for further virus outbreak and review of timescales. Continuing to fully develop detailed plans for the recovery process for services, as well as support for businesses and residents. Corporate response will be agreed. Staff consultation is underway with surveys issued. Councillors have also been consulted Re-engagement with residents, businesses and stakeholders as part of recovery phase to review longer term impact. A "Lessons Learnt" and seeking opportunities exercise in due course as proposed by Applied Resilience.
B. Health and Wellbeing/Safety **Yellow Risk**	(i, ii iii, iv) 3	(i,ii,iii,iv)3	See above – significant level of remote working continues across many areas. Staff requested to complete remote working assessment. Business travel minimised. Council has legal responsibility	A residual risk remains as the possibility of virus transmission cannot be eliminated.

(i)Risk – Staff, contractors and community are at increased risk of being infected by Covid-19 possibly leading to long term sickness absence, poor physical and mental health or even fatalities, impacting on resource availability and Service provision. (ii)There are associated reputational risks if Council staff were found not to be complying with health and safety guidance leading to increased infection rates across the community, or alternatively if Spelthorne staff are not being adequately protected when undertaking high risk activities (potential for claims against the Council) (iii)Risk: Second wave and/or local outbreak of the virus arises as a result of inadequate mitigation measures (iv)Risk: Pandemic experience presents ongoing physical, mental and emotional health impact on			to protect staff, Councillors, residents etc. Covid-19 testing is available where staff and Councillors show symptoms/ Household risk identified and guidance has been circulated. Where staff are required or expected to come into work/carry out visits to sites, residential properties or Community Centres, Health and Safety guidance is in place and communicated. This adheres to national guidance from 'Public Health England'. Guidelines are also in place for contractors such as at development sites. This covers for example requirements across key categories relating to social distancing, hygiene, hand sanitisers for staff use, Personal Protective Equipment (PPE) for staff involved in high risk activities. For example, Meals on Wheels and SPAN alarms now dropped to clients via doorstep deliveries to ensure the safety of clients and staff. Staff training and awareness raising for Health and Safety arrangements communicated via documented guidance. Proposed future layout for Council and satellite Offices reviewed to take account of social distancing rules. Environmental Health have undertaken a significant number of inspections and compliance checks on business premises. Health and safety measures are being reviewed as businesses reopen with easing of lockdown restrictions (in accordance with evolving government guidance). This has included the	Shortage of PPE is recognised as a global challenge so remains an ongoing risk, although the situation is slowly improving. Monitoring availability through the Local Resilience Forum and exploring alternative suppliers for longer term provision. Return to Work document and Health and Safety Risk Assessments are underway for three key areas taking into account best practice (Council Offices, Visits and Depot, Community Centres and other frontline services). Spelthorne's Health and Safety guidance will continue be reviewed to reflect any developments to national guidance. Contact track and tracing system to support protection measures and Environmental Health to provide a key role. Resourcing for this process to be confirmed. The Government's track and trace programme has the potential to isolate large numbers of the depot operational workforce. Operating in bubbles/groups is underway to minimise loss of whole crew.

staff, volunteers and residents			provision of advice and information on social distancing measures to help prevent the spread of COVID-19. Enforcement action is taken if required. Staff are regularly reminded about mental health support as part of employee wellbeing. Hardship fund available to assist employees where eligible. Sickness monitoring by HR including Covid-19 infections to determine level of staff affected.	
C.Financial Sustainability and Resilience **Red Risk** (i)Risk - Significant financial cost implication on the Council associated with increased spend on Covid -19 related activities / operations; uncertainty over reimbursement of funding from central government (including indirect costs such as reduced business rates); income losses across several services; significant impact on net budget; insufficient cash resources and cash flow challenges; reduced level of income due to vulnerable revenue sources;	4	3	Accountancy liaising with Services over financial monitoring (income and expenditure implications, and business rates and council tax collection). Debt recovery processes are being impacted with court action temporarily suspended. All expenditure relating to Covid-19 should be coded to a defined area with supporting documentation retained to assist funding reimbursement claims (this has been communicated). Financial impact assessment modelling is undertaken regularly (including worst, mid-range and best case assumptions). Monthly returns being made to MHCLG Longer term modelling to assess next 12 months depending on stock market and pensions impact. Worked with other Districts & Boroughs to collate financial data on the impact of Covid-19	Following lobbying and other work-streams such as Delta reporting, the second tranche of Government grants have been released. Whilst this has been much more favourable for Spelthorne, as for districts and boroughs generally compared to the first tranche, it does not go far enough to meet the funding gap. A third tranche of financial support announced on 3rd July. In particular this will provide reimbursement of 71.25% of loss on fees and charges income, which was a major impact for Spelthorne. Continued modelling of the effects of Covid-19 on the Council's finances. Separate sinking funds set aside. 10 year scenario modelling of worst

reduced level of investment returns (ii)Risk: Recovery is adversely impacted because local agencies (public and voluntary/communities) do not have access to sufficient funding to respond to additional demand / invest in recovery / lose organisational capacity because of shortfalls in income streams (iii)Risk:Significant negative impact on local residents if Services are unable to meet need because of financial constraints			and lobbying has taken place for additional financial assistance from central government as well as perusal of recharges from County. Professional Institutes offer advice across the sector. Scale of impact of re-opening leisure centres has been highlighted to government. Sinking funds already set aside for commercial investments as a prudent measure. Continued weekly monitoring of commercial asset income due/any shortfalls anticipated. A 93.5% collection rate for quarter 1 of 2020/21 has been reported in the current environment, with the remainder being deferred via payment plans. 87% has already been received for quarter 2 of 2020/21. A weekly review of rent deferments is undertaken as appropriate. Liquidity and cash flow forecasting and monitoring/treasury management to assist planning for increased levels of expenditure and monitoring of market activity. Cash reserves policy. Report to 21 May 2020 Extraordinary Council Meeting setting out mitigating options to address 2020-21 Budget gap including use of reserves. Council approval to use up to £2.2m of reserves if required to offset impacts on services income and expenditure. As a result of the additional support announced on 3rd July it is hoped that the above will be more than sufficient. Tax base and collection fund impacts will impact on 2021-22 Budgets.	case COVID-19 scenarios undertaken Delta returns submitted include details of loss of income and additional costs incurred during Covid-19. Surrey Treasurers liaising on weekly basis to share information. Monitoring of business rates and council tax collection levels- currently Spelthorne are fairing better than some other authorities. Deferral by a year of Fair Funding Review and Business Rates 75% retention will help. Surrey Treasurers monitoring tax base and collection fund deficits

D. Remote Working/ Performance Management/ Sustainability and Climate Change (i)Risk – reduced visibility and oversight of output/ outcomes potentially leading to lower productivity. (ii)Opportunity- On the contrary, there may be opportunities for increased productivity and efficiencies to be built upon from this new way of working. (iii) Opportunity - In addition, opportunities for environmental improvements (such as better air quality) have become more achievable arising from reduced traffic (road/rail/air) as people continue to work remotely, thereby positively contributing to sustainability measures	(i)2 (ii)3 (iii)3	(i)3 (ii)3 (iii) 3	MAT have encouraged Managers to consider approaches to managing staff in the remote working environment with minimal face-to-face contact. Regular communication should be in place and time recording has been encouraged so there is visibility of tasks being undertaken, particularly given that there is ongoing uncertainty over the duration of this epidemic. Managers are able to performance manage regardless of whether work is undertaken in the office or remotely as the emphasis should be on outputs rather than where the Service is delivered from.	Positive lessons from extended remote working are being assessed and examined in moving to a new normal and future changes to methods of working post COVID-19. The Council will look to identify and apply positives, around new ways of working, as part of the "new normal". Corporate Lead to build into action plans and promote benefits to staff. Environmental and sustainable measures will be further analysed as part of seeking opportunities, to include scope for the Council representing "Green Jobs" as an employer going forward.
E. Insufficient Capacity **Red Risk**	4	3	Capacity analysis and skills assessment undertaken. Staff in 'non-essential' services continue to be redeployed (where feasible) to	Corporate capacity remains severely stretched especially as still facing Government requests for extra work and some aspects of COVID-19 work

(i)Risk - Increased demand on some frontline Services such as Customer Services (Council Tax/ Business Rates) / Independent Living / Housing / Benefits (ii)Risk: Essential Services are overwhelmed when they return to the "new normal" (iii)Risk: Increased staff fatigue/burnout/ sickness levels arising from additional workload, new demands and overstretched capacity; where family members of staff encounter job losses or redundancies this may impact further on employee stress levels and wellbeing			support areas where there is increased service demand. Surplus capacity is however becoming stretched with service needs. Staff redeployment policy. Training and risk assessments for redeployed staff. Staff are encouraged to take breaks and annual leave to provide a work/life balance.	will continue for considerable time. Service Managers to highlight and quantify backlog work areas to assist recovery phase. Initial decision that only urgent/priority business can reasonably be accommodated at planned council meetings for the first few months.(Regulatory reporting to be taken into account)
F. Insufficient service capacity to deal with potentially increased levels of fatalities in the community arising from Covid-19 infections. <mark>Yellow Risk</mark>	2	3	Group Head Neighbourhood Services is monitoring levels of demand for burials/cremations in the current environment as part of the 'Excess Death cell' operation. (Current numbers scheduled to take place in Spelthorne are less than anticipated)	No specific action identified.
G. Technological <mark>Yellow Risk</mark> (i)Risk - Disruption in off-site data storages or capacity	(i)2	(i)3	ICT are closely monitoring systems. They quickly managed to get people working from home and the network has performed well and been maintained for VDI use.	ICT maintain a monitoring function to ensure the system is functioning.

impacting on service delivery e.g. ability to provide Customers and stakeholders with ongoing technical service is reduced (ii) Risk - Cyber and security threats heightened in the current environment resulting in Council systems being compromised and data loss	(ii) 3	(iii) 3	Regular reports on capacity and usage have been produced to demonstrate not only capacity but peak times of demand. Customers are receiving the same level of service but are undertaking their engagement via the web or telephone. For the web further e-forms have been and are being developed to make it easier for the customer to engage with the Council. All updates and fixes that come through are added to the system to maintain resilience to cyber-attacks. Monthly training is issued to staff on various cyber threats/attacks and have recently carried out a phishing campaign across the organisation to identify vulnerabilities. Advice has been distributed on the use of other systems for live chats etc. to prevent insecure platforms being used. The use of any external systems still has to come through Spelthorne's systems and the security measures in place identify "unsafe" sites.	Security vulnerabilities identified from the Phishing exercise are being addressed.
H. Legal or Regulatory Compliance Yellow Risk Risk - Non-compliance with GDPR possibly leading to data security breaches and reputational damage arising from the following changes:	3	3	Information Governance offer advice across Services in response to COVID-19. There is acknowledgement from the Regulator - Information Commission Officer (ICO) that organisations may find it difficult to adhere to usual data protection compliance standards as resources are diverted.	Awareness Raising continues The Data Protection Officer (DPO) has been involved in data sharing requirements under COVID-19 to help ensure compliance and practical delivery.

(i)Increased sharing of personal data between services and with partner organisations (ii)Systems set up quickly may mean less robust systems and processes (iii) Collecting and processing new types of sensitive information about individuals (iv) Increased Remote working (v)Phishing and cyber-attacks heightened (see earlier section on 'Technological risk')				
I. Suppliers and Contractors /3rd Party Relationships <mark>Yellow and</mark> <mark>Green Risk</mark> (i)Risk: Disruptions in Supply Chain Management e.g. delays in provision of goods/service due to reduced staff complement/ furloughed staff/distribution issues. Companies may no longer be in a position to trade and unable to recover from the crises. (ii)Risk: Possible claims from Contractors due to delays to	(i)3 (ii)2	(i)3 (ii) 2	Contract and Supplier management to identify any obstacles in delivery of goods/services. Contract agreements and invoking of relevant clauses if appropriate. Do the Council's suppliers / service providers have appropriate resilience plans for delivering critical business? Are these being monitored? Procurement Policy Note (PPN) sets out information and guidance for public bodies on supporting suppliers through the Pandemic, with associated actions. This is to ensure service continuity and contract delivery during and after the lockdown. Government schemes to assist businesses stay afloat such as Business Support grants;	Continue to review any necessary actions to be taken to support the Council's Suppliers. Extensive discussions being undertaken with the Council's leisure centres' operator

work programme caused by COVID-19. (iii)Risk: There may be exceptions to the Council's procurement regulations as greater flexibility to procure supplies may be deemed necessary in order to deliver new operations and meet urgent demands. Whilst increased flexibility is useful as part of the pandemic response, it also presents additional risks associated with fraud and error (see separate section) and achieving value for money.	(iii)3	(iii)2	Furlough. Discretionary grants scheme launched to help small and micro businesses To ensure business continuity of operations, contractors for large scale development and maintenance work have been encouraged to proceed with work programmes, applying safety and social distancing measures in accordance with government guidance. Where exceptions to the Council's procurement regulations are deemed necessary in order to deliver urgent operations arising from COVID-19, existing exemption procedures and documented approvals (Contract Standing Orders) are required.	
J. Fraud / Error / Theft ==Yellow Risk== (i)Risk - Covid-19 represents yet another opportunity for scammers and professional fraudsters. They may also target vulnerable members of the community. (ii)Risk - Increased level of expenditure (including significant payments) is being incurred as a result of new operations or enhanced service demands, which	(i)3 (ii)3	(i)2 (iii)3	Communications alerting staff and residents of potential scams and heightened risk of fraud. Detailed assurance guidance available for administration of the Government Grant Funding Schemes, such as the Small Business Grant Fund and Retail, Hospitality and Leisure Grant Fund; Local Authority Discretionary Grants Fund. Management have assured that counter fraud checks are applied at different stages of the grant process, working in partnership with the dedicated agency (Department for Business, Energy and Industrial Strategy - BEIS). Defined eligibility criteria and transparency of decision making is incorporated into processes. Post payment, the Government Grants Management	Continuous monitoring as new risks and processes emerge. Counter fraud measures are considered as part of setting up new processes. Internal Audit advice as appropriate. Verification of controls operating as part of assurance work will be undertaken. Assurance reporting to the Government on the administration of Business support grants.

provides increased opportunities for error or fraud, with associated financial losses and reputational damage (iii)Risk - Staff and customers may be facing increased financial hardship, leading to an increased risk of fraudulent activities and a reduced staff complement may weaken the control environment	(iii)3	(iii)2	Function and Counter Fraud Function will support local authorities to carry out post-event assurance work to identify high risk payments. This process will be communicated further. Compensating controls as a minimum where normal expected controls cannot be reasonably applied. Financial reconciliation processes set up / developed as appropriate for new systems.	
K. Reputation **Yellow Risk** (i)Risk - An absence of timely and accurate communication to stakeholders may result in a lack of awareness / mis-information/ loss of confidence (ii)Risk: People are not accessing the Services they require which may result in unknown surges and longer term implications (iii)Risk - Adverse public opinion/media intervention may cause negative publicity with associated reputational impact.	(i)2 (ii)2 (iii)3	(i)3 (ii)3 (iii)3	Communications strategy. Various communication channels used to convey messages and engage with all stakeholders including social media. Regular, timely and accurate communications to key stakeholders including employees, Councillors and the general public (as well as targeting certain groups such as local businesses and vulnerable residents). The team have launched the Council's Shop Smart, Shop Local campaign, with a press release and social media graphics conveying key messages. Weekly staff meetings, V-BEC, Spelnet, Councillor briefings (verbal and written), Business E-newsletter, newsletters, press releases etc.	No specific action identified.

L. Decision making **<mark>Yellow Risk</mark>** <u>(i)Risk</u> - Business decisions and actions do not effectively prioritise the needs of different stakeholders, thereby failing to meet needs (economic / financial / social / health etc.) This will influence the measure of success after the crises. <u>(ii)Risk</u> – Decisions and plans don't support the overall common goal.	(i)2 (ii)2	(ii)3 (iii)3	Key stakeholders identified including : • Employees and union • Councillors • Residents • Vulnerable persons/groups • Local Businesses and business representative groups Community hub (support 4 Spelthorne) set up from April 2020 to end of June 2020 (thereafter food will be distributed if required from day centres) specifically to assess the needs of the most vulnerable members of the local community. Parcels delivered to shielded residents in the Borough (high-risk shielded group category A) include food, toiletries, information and advice. (Central government responsibility taken on by local authorities). Multi-agency collaboration in delivering the hub. Extensive data analysis exercise undertaken to identify category B vulnerable residents. Local government (SBC) taking a leading role in supporting local businesses, for example through administering the business support grant scheme and Local Authority Discretionary Grants, working with businesses to understand their needs and promote various initiatives. (See separate risk category and associated actions for Economic impact)	An extensive data analysis exercise has ensured that the Council has taken reasonable and proportionate measures in identifying a significant number of residents who fall under the category B vulnerable group. There is however a residual risk arising from not being able to identify all of the category B vulnerable residents. Following announcement of relaxed lockdown measures, support to shielding groups will continue through working with other voluntary agencies.

			Some residents experiencing financial hardship – new Council Tax Relief Scheme implemented.	
M. Economy **Red Risk** Risk: Economic recession forecast to be the worst in 300 years with detrimental impact locally, nationally and globally; long period of economic recovery; rising unemployment levels due to anticipated redundancies as the furlough scheme comes to an end, increasing demands on a range of Council Services (eg noise and neighbourhood complaints, anti- social behaviour and community safety; waste and recycling collection levels); significant economic impact on local area due to proximity to Heathrow airport with aviation industry being severely affected	4	4	The economic slowdown and impact of COVID-19 for the borough is being reviewed and reported. Business rates retention fund is available to help deliver necessary actions arising from this review. Financial support for businesses has been made available through government schemes (Business Rates Phase 1 – small business grants fund(SBGF), the Retail, Hospitality and Leisure Business Grants Fund (RHLGF) and the business rate holidays; Business Rate Phase 2 – the Local Authority Discretionary Grants Fund; Furlough and self –employment schemes)	"Britain's Economy will shrink by 10% this year" (source International Monetary Fund, 24 June 2020) The significant economic impact of COVID-19 for the borough and any necessary actions arising will continue to be monitored over the short, medium and longer term. Survey undertaken of key major businesses in the borough (with particular focus on the aviation sector) to better understand the impact of COVID-19 in respect to their operations. This will supplement work that the Economic Development team has already undertaken to understand the wider impacts on different employment sectors. All of this will feed into a report on the impacts of COVID-19 for businesses and residents who work in the borough. The report will also include a recovery action plan, setting out where the Council can intervene (some externalities will have to be accepted). Actions will include quick wins and longer term actions.

				Council working with EM3 and Heathrow to address structural issues Broader internal recovery task group to focus on health and well being knock on impacts of economic downturn. At Local Resilience Forum Level there is reconsideration of the impacts of Brexit, adverse weather conditions and COVID-19 for Winter 2020 in terms of our economy and operations.
N. Political <mark>Yellow Risk</mark> (i)Risk –Unclear political steer and strategic direction in the current environment may impact the effectiveness of decision making Risk –Decisions may not align with Council priorities and responsibilities	(i)2 (ii)2	(ii)3 (ii)3	Regular and timely communications with Councillors on the authority's COVID-19 response effort. Extraordinary Council Meeting held 21 May 2020 to provide effective oversight of the Council's emergency response to COVID-19. The Council continues to support the Community and businesses in delivering Services.	Due to corporate capacity being stretched, a decision has been taken that only urgent/priority business can reasonably be accommodated at planned council meetings for the next few months. This will take into account regulatory reporting requirements.

Evaluating risks and Risk Matrix (Draft Risk Management Policy)

The Council evaluates its risks on a four-point scale on the likelihood of the risk occurring and the impact caused should the risk occur. Risks are evaluated with their controls in place. Risks are plotted on a risk matrix (see below) and prompt action is taken on those risks that fall into the red zone. Action is considered for "yellow" risks while "green" risks are regarded as acceptable. The above risks associated with Covid-19 (reference A to N) have been plotted on the graph below.

Impact		1 (Rare)	2 (Unlikely)	3 (Likely)	4 (Almost certain)
	4 (Catastrophic)				M
	3 (Major)		A D(i) F Gi K(i,ii) L N	B D (ii & iii) Gii H I(i) J(ii) K(iii)	C E
	2 (Medium)		I (ii)	I(iii) J(i,iii)	
	1 (Trivial)				
				Likelihood	

Coordinated by Punita Talwar
Internal Audit Manager, June 2020