

Gravesham Borough Councils Corporate Risk Register Outlines the key strategic Risks facing the council and controls that are implemented to manage these risks. It also details any further action required by the council to ensure risks are being sufficiently controlled.

The Risks that were identified and formally approved by Full Council on the 17<sup>th</sup> April 2018 are listed below. These risks are documented in the 2018-19 Corporate Risk Register:

**Risk 1: Ongoing financial viability of the Council**

**Risk 2: Changes in national priorities and legislative change**

**Risk 3: Organisational capacity/ resilience**

**Risk 4: Business Rates Retention Scheme**

**Risk 5: Implementation of the Homelessness Reduction Act**

**Risk 6: Universal Credit**

**Risk 7: General Data Protection Regulations (GDPR)**

This document provides mid-year progress information in respect of the management of each of the above risks. The effectiveness of risk management actions that have been carried out as at mid-year, are assessed as being one of the following:

**Good**

Actions in place will mitigate the risk and no further action is required.

**Satisfactory**

Whilst the action will help to mitigate the risk, there is still further work that can be undertaken to further mitigate the risk.

**Inadequate**

The action is either not already in place or is not mitigating the risk and therefore further work is required.

**Gravesham Borough Council**  
**Mid-Year Review of Corporate Risks**  
 (Review of ALL risks detailed in the 2018-19 Corporate Risk Register)

<b>Risk: 1. On-going financial viability of the Council</b>	<b>Owner: Director (Corporate Services); Assistant Director (Corporate Services)</b>																				
<p><b>Risk Background:</b>          Financial pressures on local government continue to put unprecedented strain on councils. The multi- year local government finance settlement covering the four year period from 2016-17 to 2019-20 will deliver a reduction in funding for the council equivalent to £2m (43%) over the period. By 2019-20 overall level of Central Government Grant funding received by the Council will have reduced by £5m (65%) since 2010-11. The council has also be affected by changes to the New Homes Bonus Scheme which will see an 80% reduction in the funding received from this stream by 2020-21 compared to the anticipated level of funding prior to the scheme redesign. Government continues with its intentions to reform the Business Rates Retention Scheme which is likely to bring increased pressure to the council's financial sustainability and well as additional responsibilities over and above those already delivered by the Council. Looking ahead, the volatility in local government funding shows no sign of relenting with the Spending Review scheduled for 2019 and the impact of the ongoing Fair Funding Review likely to be felt in 2020-21.</p> <p><b>UPDATE:</b> The council's <i>Medium-term Financial Strategy 2016-17 to 2019-20</i>, set out an identified funding gap by 2019-20 of £2.5m. This identified gap increased to £2.9m at budget setting 2017-18, primarily driven by changes to the design of the New Homes Bonus Scheme. Over recent years, officers have been working to deliver the savings required and have made significant progress; approx. £800k is still required in order to meet the full £2.9m required. Over the course of the past two years, however, there have been a number of further changes which have culminated in the need to identify additional savings/income generation initiatives to deliver <u>at least</u>, a further £1 million in order to balance the Council's Medium Term Financial Plan. These include the Bank of England not raising the base rate as quickly as was anticipated, the pay award in 2017-18 and the introduction of the Living Wage have resulted in increases to employee costs and the council has not met the 'dead weight' level for new homes and as such, has received less income from the New Homes Bonus initiative than originally estimated. This has delivered an additional pressure of <u>at least</u> £1 million for the General Fund Revenue Account which needs to be addressed</p>	<p><b>Consequences:</b></p> <ul style="list-style-type: none"> <li>Financial savings not achieved.</li> <li>Budgets exceeded and/or reserves depleted.</li> <li>Problems stored up for the future.</li> <li>Minimum working balance of £1.25 million is not maintained.</li> <li>Needing to make use of £2 million General Revenue Reserve set-aside to mitigate financial risks.</li> <li>Unplanned cuts in services needed and/or drop in quality of delivery, potentially leading to damage to Council's reputation</li> <li>New legislative requirements not met.</li> <li>Uncertainty over future large projects.</li> <li>Potential for infrastructure to deteriorate</li> </ul>																				
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th colspan="4" style="text-align: left;">INHERENT RISK SCORE</th> <th colspan="4" style="text-align: left;">RESIDUAL RISK SCORE</th> </tr> <tr> <td style="text-align: center;">Likelihood</td> <td style="text-align: center;">5</td> <td style="text-align: center;">Impact</td> <td style="text-align: center;">4</td> <td style="text-align: center;">Score</td> <td style="text-align: center;">20</td> <td style="text-align: center;">Likelihood</td> <td style="text-align: center;">5</td> <td style="text-align: center;">Impact</td> <td style="text-align: center;">4</td> <td style="text-align: center;">Score</td> <td style="text-align: center; background-color: red;">20</td> </tr> </table>	INHERENT RISK SCORE				RESIDUAL RISK SCORE				Likelihood	5	Impact	4	Score	20	Likelihood	5	Impact	4	Score	20	
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Controls to eliminate, reduce or transfer risk	Lead Officer	Required Management Action as originally documented in the 2018-19 Corporate Risk Register	Management Action Update as at Mid-Year Review	Quarterly Risk Assessment			
				Q1	Q2	Q3	Q4
1.1 Medium Term Financial Strategy in place	Director ( Corporate Services) Assistant Director (Corporate Services)	When the Medium Term Financial Strategy (MTFS) was reviewed it was updated to reflect the financial position of the council going into the 2016/17 financial year, identify the funding gap to be addressed and set the strategic plan (Bridging the Gap) for managing the council's finances through to 2019-20.  Delivery of Bridging the Gap activity is on-going and six-monthly updates on progress in delivering each work stream are provided to Cabinet Members to ensure focus is retained on delivering outstanding actions	The MTFS continues to provide the framework for the activity of the council in managing its financial position through to 2019-20 and in preparation for the outcomes of the Spending Review and Fair Funding Review. As at the end of September 2018, the Bridging the Gap strategy has delivered activity that has enabled the council to realise a £2.5m reduction in its base budget requirement and defer the point at which savings must be delivered to 2021-22 (at the time of preparing the MTFS this was 2018-19). As identified at Budget Setting 2018, pressures relating to employee pay awards, interest rate levels and changes to the design of the New Homes Bonus Scheme have created a further £1m 'gap' in the council's financial position. Proposals to deliver savings or generate income to meet this gap will be presented to Members in November.				

**Gravesham Borough Council**  
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1.2 Medium Term Financial Plan in place	Assistant Director (Corporate Services)	The Medium Term Financial Plan (MTFP) spans 10 years and is regularly reviewed and updated to ensure the Council has a sound and realistic plan for managing the Council's finances moving forward.	The MTFP continues to be maintained and presented to Management Team and Members on a periodic basis as part of budget monitoring arrangements. As set out above, the current MTFP indicates 2021-22 as the point at which further savings must be delivered.				
1.3 Diversification of investment activity	Director ( Corporate Services) Assistant Director (Corporate Services)	To improve the return on council cash balances, £10m was placed with three Property Fund Managers during 2016-17, with a further £10m directed to the acquisition of commercial property to secure an ongoing revenue rental stream. Diversification has delivered greater returns from cash balances, though at a higher level of risk than the council has been previously exposed to. This risk has been managed through undertaking a range of investment activity. Generating returns from traditional investment sources continues to be challenging, with the council's treasury advisor currently forecasting that base rate will remain at 0.5% until the end of the calendar year, with a further increase at the end of 2019	The council currently holds a fully diversified investment portfolio that is considered to provide a tolerable level of risk by using a number of investment instruments including fixed term deposits, money market funds, certificates of deposit, property funds and multi-asset funds as well as investment in commercial property. The investment portfolio held by the council continues to significantly outperform traditional investments with the base rate remaining comparatively low. The council's treasury advisor is currently forecasting that base rate will remain at 0.75% until September 2019, with a further increase mid-2020.  The council will continue to monitor its cash flow projections to identify further opportunities for investment as these projections allow.				
1.4 Kent & Medway Business Pilot	Chief Executive Director ( Corporate Services)	It is anticipated that the achievement of Pilot status will provide a direct one-off financial benefit to the council in 2018-19, estimated to be between £250,000 and £570,000. This benefit will be taken directly to Working Balances and use to fund services, but is currently only for one year	Latest monitoring of the Pilot arrangement indicates that the direct one-off financial benefit to the council in 2018-19 is likely to be significantly above the originally estimated amount and in the region of £850,000.				
1.5 Robust budget Monitoring arrangements in place	Assistant Director (Corporate Services)	Budget monitoring arrangements continue, with Management Team receiving monthly monitoring information relating to significant items of income and expenditure such as staffing costs and fees and charges income. Quarterly budget monitoring reports are submitted to Cabinet and Finance and Audit Committee. A specific exercise has been undertaken focusing on areas of consistent underspend and overspend against budgetary provisions over the last four years, with a net £200k based budget savings delivered. A review of reserves has also recently been carried out to ensure that earmarked reserves continue to be fit for purpose.  Work is ongoing to enhance usage of the council's Financial Management System, with the intention to reduce the requirement for manual intervention. in reporting and increase the ability for budget holders to 'self-service	Budget monitoring arrangements continue to be in place and operating effectively. Development of the Financial Management System progresses, with the project to implement Automated Invoicing practically complete and work underway to roll out the web-based version of the system, supported by a training provision to encourage further use of the reporting functionality this will bring.  The budget setting exercise for 2019-20 commenced in September and will focus on high risk areas within the council's budget.				

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<b>Risk 2.: Changes in national priorities and legislative change</b>	<b>Owner: Chief Executive &amp; Management Team</b>
<p><b>Risk Background:</b>          The council needs to keep abreast of developments in legislation to ensure that it is best placed to respond to any changes it may face. Failure to account for the Government's legislative programme may involve:</p> <ul style="list-style-type: none"> <li>• Change of direction for the council may be required.</li> <li>• Changes result in additional costs/ workloads for staff.</li> <li>• Severe financial position encountered which may restrict which services the council can deliver (see Risk 1).</li> <li>• Failure to meet stakeholder expectations.</li> <li>• Funding pressures / increased costs of working.</li> <li>• Staff morale falls with potential for sick absence due to stress.</li> <li>• Increased scrutiny from Members and other relevant bodies.</li> </ul>	<p><b>Consequences:</b></p> <ul style="list-style-type: none"> <li>• Change of direction for the council may be required.</li> <li>• Changes result in additional costs/ workloads for staff.</li> <li>• Severe financial position encountered which may restrict which services the council can deliver (see 1).</li> <li>• Failure to meet stakeholder expectations</li> <li>• Funding pressures / increased costs of working</li> <li>• Staff morale falls with potential for sick absence due to stress.</li> <li>• Increased scrutiny from Members and other relevant bodies.</li> </ul>
<b>INHERENT RISK SCORE</b>	<b>RESIDUAL RISK SCORE</b>
Likelihood 5 Impact 3 Score 15	Likelihood 5 Impact 3 Score 15

Controls to eliminate, reduce or transfer risk	Lead Officer(s)	Required Management Action as originally documented in the 2018-19 Corporate Risk Register	Management Action Update at Mid-Year Review	Quarterly Risk Assessment			
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2.1 Circulation of monthly policy & legislative briefings	Corporate Performance Manager	Activity is ongoing to enhance knowledge of new and proposed legislative change.	<p>Monthly policy and legislative briefings were delivered throughout the 6-month period to ensure that officers are fully informed of changes or potential changes affecting their own service areas and the wider council. From this activity relevant Service Managers are then able to report to Management Team on government proposals impacting upon their areas and the potential impact on the council's progress towards achieving its corporate objectives.</p> <p>The Queen's Speech 2017 introduced the government's programme of prospective legislation for the 2017-19 two year period. Arguably the most notable piece of legislation for local government enacted during the period to date is the Homelessness Reduction Act, of which relevant provisions commenced in April 2018. Given the level of importance and associated resource implications, the Act has been adopted into the Corporate Risk Register in its own right (Risk #5).</p> <p>Other enacted legislation that commenced during the first half of 2018-19 includes the new General Data Protection Regulation; again given the obvious scale of change and corporate implications this has been adopted within the Corporate Risk Register for monitoring (Risk #7).</p> <p>The impact of 'Brexit' on the parliamentary timetable has been significant, with the volume of wider legislation relating to local government much reduced in the two years to date. For the purposes of this update, the first half of 2018-19 saw the Secure</p>				

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			Tenancies (Victims of Domestic Violence) Act enacted. The Act has the principle aim of ensuring local authorities in England grant a lifetime tenancy when re-housing an existing lifetime tenant who needs to move or has recently moved from their social home to escape domestic abuse.  Wider legislative developments (e.g. statutory instruments) were captured throughout the period by way of the monthly policy briefings to the council's wider management team and key officers.				
2.2 Proactive arrangements to respond to consultations from central government departments and agencies.	Wider Management Team	The council has taken opportunities to influence government policy, with some examples of where policy has been reshaped following on from consultation exercises, albeit the government will continue with its overarching legislative programme.	During the year to date, the council has continued to effectively represent its position in the process of central government consultations. This is carried out individually on behalf of the council, or collaboratively with other neighbouring district authorities, or as part of a wider network group (Local Government Association, District Councils' Network (DCN) etc.). Adopting this approach ensures that the views of the council are communicated back to government so that they may be taken into account as policy decisions are formulated ahead of any new legislative programme.  In the last six months the council's efforts have included formal responses to the following consultations: <ul style="list-style-type: none"> <li>• 2019-20 Local Government Finance Settlement;</li> <li>• National Planning Policy Framework; and</li> <li>• Household Waste Duty of Care.</li> </ul>				
2.3 Establishment of a new Member training and development plan for the next three years.	Committee Services Manager/Wider Management Team	Activity is ongoing to enhance knowledge of new and proposed legislative change.	In June 2016, the Cabinet approved the establishment of a new training and development plan for the next three years. The training helps develop knowledge and resilience at a Member and Officer level, and ensures the Council makes informed decisions whilst meeting legislative requirements. The Member training programme sessions have continued between 1 January to 19 October 2018 in the following areas (the attendances figures for these sessions have also been listed):- <ul style="list-style-type: none"> <li>• General Safeguard Awareness – 12 attendees</li> <li>• Universal Credit and Welfare Reform – 16 attendees</li> <li>• Licensing over view of licencing regulations in place 14 attendees</li> <li>• IT and Digital Strategy - update for Members - 12 attendees</li> <li>• Environmental Health - overview of the service and typical issues raised by constituents - 16 attendees</li> <li>• Data Protection &amp; FOI - update on data protection , GDPR and roles as data controller - 9 attendees</li> <li>• Disability Awareness - 11 attendees</li> <li>• General Safeguarding Awareness - 4 attendees</li> <li>• Statement of Accounts Training 15 attendees</li> <li>• Mental Health Awareness - 7 attendees</li> <li>• Equality and Diversity Training - 9 attendees</li> <li>• Housing Benefits Assessments - training on the assessment process (refresher) - 7 attendees</li> <li>• Refresher training in first aid/AED – 7</li> </ul> <p>The Member induction training programme for newly elected and returning Councillors following Local Elections in May 2019 is in the process of being developed.</p>				

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2.4 Maintenance of interaction with partner agencies	Wider Management Team	Maintenance of interaction with partner agencies	<p>The council has a long history of effective partnership working arrangements for a variety of projects, boards and operational commitments that enable the authority respond to, and deliver against, legislative demands.</p> <p>In addition to its formal partnership working activities, the council also has a number of shared working arrangements in place, ranging from a full-shared service with another local authority to shared manager/officer arrangements.</p> <p>Collectively it is the council's Corporate Partnership Register that details the various working arrangements in place with key stakeholders. The individual partnership arrangements outlined within the register are evaluated on an annual basis by lead officers and this process commenced during September 2018. In the autumn, the partnership arrangements will then subsequently be presented for review by the respective Cabinet Committees in order to consider their formal governance arrangements and the financial value being delivered.</p>				

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<b>Risk 3: Organisational capacity/ resilience</b>	<b>Owner: Chief Executive &amp; Management Team</b>
<p><b>Risk Background:</b>          The council's Management Team have put in place a number of arrangements to help to deal with the reduction in Government funding over the medium term, including approval of all new appointments and the cessation of temporary staff contracts and non-contractual overtime (except in exceptional circumstances). The recent announcements on local government finance are going to require decisions to be taken about future service delivery, and these actions are likely to see changes to the staff establishment. This, in turn, will place greater demands on remaining staff, exposing the council to key person dependency and the risk of poor resilience. Management and staff can help improve organisational capacity and resilience by identifying critical tasks, working flexibly across departments and developing the skills and abilities of key leaders and staff. The council also need to ensure that it has plans in place to cope with other potential impacts on capacity which may result from severe weather, building damage or pandemic to ensure that key services can continue to be delivered.</p>	<p><b>Consequences:</b></p> <ul style="list-style-type: none"> <li>Council unprepared for changes resulting in additional costs/ workloads for staff. Adverse impact on staff being asked to adopt more flexibility and a greater workload, when their managers have less flexibility to incentivise or support staff in light of pay and recruitment freezes.</li> <li>Essential services where there is greater staff turnover are adversely impacted compared to services with less staff turnover.</li> <li>Increasing organisational stress creating a negative impact on productivity and motivation.</li> <li>Potential adverse impact on public liability claims if services like repairs and maintenance are not completed or recorded properly.</li> <li>Increased likelihood of internal controls as a result of having fewer staff in post.</li> <li>Cuts in services and a potential drop in service quality possible.</li> <li>A fall in staff morale could increase staff sickness and stress.</li> <li>There will be a requirement to provide staff with additional support to overcome their work related health issues.</li> </ul>
<b>INHERENT RISK SCORE</b>	<b>RESIDUAL RISK SCORE</b>
Likelihood 5 Impact 4 Score 20	Likelihood 5 Impact 3 Score 15

Controls to eliminate, reduce or transfer risk	Lead Officer(s)	Required Management Action as originally documented in the 2018-19 Corporate Risk Register	Management Action Update at Mid-Year Review	Quarterly Risk Assessment			
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3.1 Effective allocation of resources	Management Team	Management Team evaluate service requests to fill vacant posts; where appropriate departments are restructured to align resources to services in order to improve service delivery. Service Review options have identified options for shared services which can increase resilience and key person dependency, though there is a requirement for this to be balanced with retaining skilled staff	Opportunities continue to be taken to effectively allocate resources within the Council; most notably through the recent additions to the DSO workforce to facilitate an increased amount of work being carried out i-house as opposed to being contracted externally. This provides additional organisational capacity to better serve our residents, as well as opportunities for development of council officers leading to increased resilience. This initiative has been complemented by an ongoing evaluation of vacant positions within the authority, and the deletion of those no longer required freeing up financial capacity for other areas of the Council's business. Review of shared services continues with Legal, HR, Payroll and Audit/Fraud being fully established shared services which are working well, providing much needed resilience and offering more career opportunities for staff. We are currently exploring a shared service around licensing, which would result in Gravesham hosting the service.				

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3.2 Flexible working arrangements	Management Team	Shared Service opportunities have been explored in the areas of Legal Services, Revenues & Benefits and Payroll. Service requests to fill vacant posts are encouraged to consider suitable internal candidates before seeking to appoint externally. As the organisation moves to realise visions for the future in order to achieve efficiency savings it will continue to actively encourage staff to take up opportunities for redeployment and secondment.	Shared Service arrangements continue to be explored and launched, with agreement now in place for the commencement of a shared licencing function with Medway Council, hosted by Gravesham. All shared services consider flexible working arrangements in order to provide resilience to all partners. With the roll-out of new IT Hardware during Q1, officers are now much more able to remote work away from the office, creating greater opportunities for flexible working. However, flexible working arrangements can be more limited in smaller departments due to the need for cover in the office. A new approach is being taken for appointment of apprentices with more focus on ensuring at the end of the training contract they are 'job ready' and seeking to train apprentices in areas where we are struggling to recruit				
3.3 Provision of training and support	Director (Communities)	The council remains committed both financially and in terms of resources to developing the skills of the workforce in order that they are able to take up alternative roles and redeployment opportunities in the future. Key to this is the retention of staff.	We continue to have a close working relationship with Unison and are looking into further Management Training courses to develop Managers of Tomorrow				
3.4 Workforce Support	Director (Communities)	Ongoing support in the form of an employee assistance programme and occupational health provision remain in place. Building on the retention of IIP Gold a review of joint staff working has resulted in a new joint staff forum with wider staff representation being set up to improve communication. Work also continues to improve staff Health & Wellbeing.	The new Join Staff forum continues to develop and new ideas for communication have been received from the staff side, which are being implemented. The organisation is also shortly to be re-assessed for the new Investors in People standard, which gives us an external view of how change is impacting on our staff. To support staff Health and Wellbeing, Mental Health champions have been recruited and train who will take the Time to Listen and promotion of this service was publicised on Mental Health Day, which took place on 10 October.				
3.5 Frank and open working relationship with local and regional union representatives	Director (Communities)	Good relationships with local and regional union representatives maintained in order to bring about successful organisational change	We continue to have an open and honest relationship with local and regional union representatives as we continue to bring about successful organisation change. In partnership with the Branch Secretary we took the decision to undertake the new Investors in People accreditation				



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<b>Risk 4: Business Rates Retention Scheme</b>	<b>Risk Owner: Director (Corporate Services)</b>																				
<p><b>Risk Background:</b>          As part of government's plans to make local government self-sufficient, a commitment has been made to allow the local government sector to retain a greater proportion of the business rates that are generated nationally. Critically, this does not mean that each authority will retain the full yield of Business Rates generated within their area, with a national redistributive system of Business Rates income continuing as is currently the case. There is little clarity on the design of the scheme and as recently as December 2017, the timescales for the scheme has been delayed by one year to 2020-21 and the proportion of business rates to be retained has been adjusted from 100% to 75%. There is also little information on any potential additional responsibilities that may be devolved to local government in and scheme, and this raises the concern that levels of funding received may not cover those additional responsibilities.</p> <p>Furthermore, there have been a number of statutory discounts introduced in recent years for Business Rates payers which has reduced the size of the overall national pot of Business Rates income, and this coupled with a sustained transfer of funding away from district Councils to upper tier authorities with Social Care responsibilities and the threat of periodical business rates resets could see Gravesham receiving a lower share of retained Business Rates income under any new system. Business Rates is the second largest funding stream for the council, after Council Tax, and will be equivalent to around 26% of the council's net revenue budget in future years.</p>	<p><b>Consequences:</b></p> <ul style="list-style-type: none"> <li>Lack of clarity on how the business rates retention scheme will operate in practice.</li> <li>Potential for government to reduce the total funding available through business rates to support other departmental funding pressures (social care).</li> <li>Council exposed to increased financial risk and volatility from the redesigned scheme.</li> <li>Likely to lead to additional responsibilities, with no additional funding.</li> <li>Potential for the introduction of further statutory discounts for Business Rates payers without compensation from central government</li> </ul>																				
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4.1 Monitoring of the potential impact of 75% Business Rates Retention on the council.	Director ( Corporate Services)	Information is obtained via professional groups and attendance at local government finance events at which representatives of the Department for Communities & Local Government are present. Kent & Medway will be a Business Rates Pilot in 2018-19 and the mechanisms put in place as part of the Pilot will help inform the final scheme design. This will also enable the council to review its financial projections in light of the Pilot, albeit the final scheme design will be ultimately be determined by Government.	The Council is part of the Kent & Medway Business Rates Pilot in 2018- 19. Monitoring information of the current performance of business rates income collection continues to be produced on a monthly basis and modelling of expected business rate income is presented to MT on a quarterly basis and to Members as part of the quarterly budget monitoring report. Officers continue to monitor professional journals and government announcements regarding proposals for Business Rates Retention. Modelling of the potential impact on the council will be undertaken as details of the proposed scheme design are released by central government.				
4.2 Proactive arrangements to respond to consultations from central government departments and agencies.	Director ( Corporate Services)	The council has taken opportunities to influence government policy, with some examples of where policy has been reshaped following on from consultation exercises, albeit the government will continue with its overarching legislative programme.	Officers continue to proactively engage with the Ministry for Housing, Communities and Local Government, professional bodies and other local government colleagues to keep abreast of any developments and contribute to the development of the scheme.				

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<b>Risk 5: Implementation of the Homelessness Reduction Act</b>	<b>Risk Owner: Director (Housing and Regeneration); Assistant Director (Housing)</b>
<p><b>Risk Background:</b>          The Homelessness Reduction Bill received Royal Assent on 27th April 2017 and is now an Act. The date of enactment is 1 April 2018. The Homelessness Reduction Act (HRA Act) amends Part 7 of the Housing Act 1996. There are 13 clauses that amend many of the existing homelessness duties and bring in a substantial number of new duties. The Council's Housing Options Service will need to get to grips with the new duties in a relatively short time frame in order to comply with the legislation. The Act also places additional burdens on the council and whilst some financial assistance has been made available by the Government to assist in meeting the new duties, it is currently unknown whether this will be sufficient to meet the new burden. The limited supply of dwellings to assist in meeting the new duties is also an area of concern.          Failure to take action early to prepare for these extensive new duties will put the authority at risk. There will be a risk of legal challenge if the authority is unable to meet the new legal duties arising from the Homelessness Reduction Act. There will be a financial risk to the Council due to an increase in temporary accommodation costs if there are insufficient resources to manage the increase in demand for the service. Funding from the Government provided to tackle homelessness is for an initial period of 3 years to ensure that the new legislation can be successfully implemented and there are no guarantees of similar levels of funding beyond March 2021.</p>	<p><b>Consequences:</b></p> <ul style="list-style-type: none"> <li>New legislative requirements not met.</li> <li>Budgets depleted in attempts to fulfil the additional requirements.</li> <li>Reputational damage</li> <li>Adverse impact on staff morale and retention due to the required significant changes to the assessment process and the focus of casework, including a doubling of homelessness applications. The service needs to be 'geared up' to manage a large increase in applications and the casework that will be required for each application under the HRA Act changes</li> </ul>

INHERENT RISK SCORE				RESIDUAL RISK SCORE							
Likelihood	5	Impact	3	Score	15	Likelihood	5	Impact	3	Score	15

Controls to eliminate, reduce or transfer risk	Lead Officer(s)	Required Management Action as originally documented in the 2018-19 Corporate Risk Register	Management Action Update at Mid-Year Review	Quarterly Risk Assessment			
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5.1 Gaining an understanding of the level of additional duties	Assistant Director (Housing)	Management indicator reports will be used to monitor performance. Performance indicator reports will be presented to Management Team and Cabinet Committee on a quarterly cycle. Workload in terms of footfall and service requests will be monitored monthly as part of the management indicator reports.	Workload and footfall since the implementation of the Act has been in line with projection. Management team and Cabinet Committee reports have been amended to reflect the level of demand for the service and the council's performance in meeting demand. This will continue to be monitored.				
5.2 Team Structure reviewed to deliver additional duties	Assistant Director (Housing)	The agreed structure will be reviewed after 12 months to assess adequacy. Service resource requirement will be kept under regular review and management team will be updated as early as possible of any trends.	Review of agreed structure ongoing and presently deemed adequate.				
5.3 Appropriate Software to implement HRA Act made available	Assistant Director (Housing)	Software has been procured and will be available from 1 March 2018. A training programme for staff is in the process of being devised and software will enable the additional administrative duties to be automated as far as possible. Alongside the available online training which the new software provides, a trainer will also be appointed to provide bespoke training to staff in districts as required.	Training on the new Locata software has taken place and all staff are now utilising the software. The trainer employed to support all districts across Kent has now left and it has been agreed not to replace the post on a full-time basis at present and following the initial training for all staff involved with the service.				

**Gravesham Borough Council**  
**Mid-Year Review of Corporate Risks**  
 (Review of ALL risks detailed in the 2018-19 Corporate Risk Register)

<b>Risk 6: Universal Credit</b>	<b>Risk Owner: Director (Corporate Services) Service Manager Revenues &amp; Benefits</b>																						
<b>Risk Background:</b> The government remains committed to a phased implementation of Universal Credit and on 23 November the Chancellor of Exchequer, as part of the 2017 Autumn Budget, outlined some changes to the timetable and scheme. Gravesham adopted Universal Credit 'Live' service in its most basic form on the 18 May 2015 for single residents only in prescribed circumstances. The impact so far has been minimal and did not produce a risk score. The Department for Work and Pensions (DWP) has overall responsibility for implementing Universal Credit, although the Council will have a key role in how the scheme will be expanded further within the Borough. The rollout of the 'Full' service has been delayed by 3 months and will now commence in May 2018 for GRAVESHAM. To allow all the policy changes to be implemented, the Universal Credit live service will be closing to new claims from 31 December 2017. This means that unless claimants are living in a Universal Credit full service area, new claimants will be asked to claim legacy benefits or tax credits between January and May 2018. Those already on the Universal Credit live service will remain unaffected until they transition to Universal Credit full service once it has been rolled out in their area. Full migration to Universal Credit service will not be completed until 2022/23.	<b>Consequences:</b> There remains much uncertainty as to the exact direct and indirect consequences of the changes upon the authority, particularly whether resources to support the scheme will still be required to be retained by the council (and at what level) once administration of Universal Credit is taken over by the Department for Work and Pensions in its entirety. Initial information from LA's currently in Full service suggest that the workload may actually increase as a result of the number of notifications that the DWP JCP send through on a daily/weekly basis. Direct consequences are; <ul style="list-style-type: none"> <li>A reduction in HB caseload</li> <li>Potential reduction in council dwelling rental income and increase in rent arrears as payments will be made direct to the tenant, rather than direct to the rent account as they are now</li> <li>Increase in workload for Housing Team</li> <li>Increases in evictions/homelessness/voids</li> <li>Rise in level of corporate debt</li> <li>Customers may suffer hardship</li> </ul> Indirect consequences are also expected, with increased costs of cash handling through the shift away from rebating benefit to cash transactions																						
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th colspan="5">INHERENT RISK SCORE</th> <th colspan="5">RESIDUAL RISK SCORE</th> </tr> <tr> <td style="text-align: center;">Likelihood</td> <td style="text-align: center;">5</td> <td style="text-align: center;">Impact</td> <td style="text-align: center;">3</td> <td style="text-align: center;">Score</td> <td style="text-align: center;">15</td> <td style="text-align: center;">Likelihood</td> <td style="text-align: center;">4</td> <td style="text-align: center;">Impact</td> <td style="text-align: center;">3</td> <td style="text-align: center;">Score</td> <td style="text-align: center; background-color: red;">12</td> </tr> </table>	INHERENT RISK SCORE					RESIDUAL RISK SCORE					Likelihood	5	Impact	3	Score	15	Likelihood	4	Impact	3	Score	12	
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Controls to eliminate, reduce or transfer risk	Lead Officer(s)	Required Management Action as originally documented in the 2018-19 Corporate Risk Register	Management Action Update at Mid-Year Review	Quarterly Risk Assessment			
				Q1	Q2	Q3	Q4
6.1 Regular Meetings planned to take place with JCP Senior Officers.	Service Manager (Revenues and Benefits) Assistant Revenues and Benefits Manager	The Service Manager Revenues & Benefits and the Assistant Revenues & Benefits Manager will continue to liaise and attend meetings with the JCP.	Meetings are planned monthly and give us the opportunity to provide feedback to the DWP Partnership Manager on any issues we have encountered.				
6.2 Arrangements made to ensure customers are given help with claiming Universal Credit and managing finances.	Service Manager Revenues & Benefits Assistant Director (Housing)	Contact with the Citizens Advice to be maintained to ensure they continue to attend regular meetings. They are prepared to provide Personal Budgeting Support, and Assisted Digital Support with the help of funding from the JCP	Arrangements are in place and the Citizens Advice have been doing appointments both for Personal Budgeting Support, and Assisted Digital Support although numbers and take up is still quite low.				
6.3 Monitoring of the impact of Universal Credit upon on the Housing collection rate	Assistant Director (Housing)	Housing aware of all tenants in receipt of UC and are required to continue closely monitoring their Rent Accounts. Opportunities to make arrangements for direct payment where appropriate will be sought so that there is little or no impact on rent arrears.	Housing now have access to a landlord portal which allows them to know who is on UC and confirm the tenancy, rent etc. They can also use the portal to apply for Advanced Payment Arrangements (APA's) and arrears payments. There has been an impact on arrears with an estimate of £110k more than we would likely be carrying had accounts remained on HB				

**Gravesham Borough Council**  
**Mid-Year Review of Corporate Risks**  
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6.4 Residents will be contacted about the impact of Universal Credit.	Service Manager Revenues & Benefits	Liaison will continue with the DWP, CAB, Housing and Customer Services to ensure that residents are kept informed of how the introduction of UC Full Service will affect them.	DWP have written to all those affected. Housing have created a couple of letters that they are sending to the tenants reminding them of their responsibilities.				

**Gravesham Borough Council**  
**Mid-Year Review of Corporate Risks**  
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<b>Risk 7: General Data Protection Regulations (GDPR)</b>	<b>Risk Owner: Director (Corporate Services) Information Governance Manager and Data Protection Officer to Medway Council and Gravesham Borough Council</b>																				
<b>Risk Background:</b> The General Data Protection Regulations (GDPR) come into force on 25 May 2018 and will be the legal framework for data protection across Europe. The decision of the UK to leave the European Union will not affect the introduction or implementation of GDPR in the UK. The regulations will introduce significant changes to the responsibilities of organisations that collect, store and share personally identifiable information. GDPR introduces corporate responsibilities which will require the council to introduce new processes and achieve some things differently. The council will need to demonstrate compliance with all elements of the GDPR which will require a review of current arrangements and how they comply with GDPR.	<b>Consequences:</b> <ul style="list-style-type: none"> <li>Risk of administrative fine from the Information Commissioners Office (ICO) if evidence of non-compliance found</li> <li>Risk of remediation/compensation requirements to the data subject</li> <li>Reputational Damage</li> <li>Costs of ensuring compliance not budgeted for</li> <li>Increased scrutiny from Members and other relevant bodies</li> </ul>																				
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7.1 Formation of an Information Governance Group (IGG) to prepare the authority for introduction of GDPR	Information Governance Manager	Management Team will continue to be updated regularly with progress on the Council's preparations for GDPR Training is being delivered via Medway in quarter 4, 2017/18	The IGG regularly meets to consider the authority's preparedness for GDPR with a standard agenda item for this action. Departmental GDPR task groups have been formed, and are in the process of making the required changes to systems, processes, and documents, based on guidance provided by the IGG team.				
7.2 IGG committed to raising awareness and arranging appropriate training for all staff who have access to personal data.	Information Governance Manager	Relevant Policies will be developed to ensure the authority complies with data regulations with regards to <ul style="list-style-type: none"> <li>Recording</li> <li>Maintaining</li> <li>Storing</li> <li>Handling</li> <li>Communication</li> <li>Sharing</li> <li>Dealing with breaches</li> </ul> A pool of Data Protection Impact Officers will be appointed, developed and fully trained to undertake Data Protection Impact Assessments for the Council	As part of the GDPR implementation plan, appropriate training is currently being developed jointly with Medway Council for roll-out during Q3 of the 2018-19 financial year.  The Council's SIRO, the Director (Corporate Services) is attending specific training on GDPR and data protection which is being delivered through Kent Connects during October 2018 as part of continual professional development in this area.  DPIOs are in place across the organisation and are undertaking DPIAs for any new systems or processes involving the processing of personal data.				
7.3 Appointment of Data Protection Officer	Information Governance Manager		This is complete, the authority has a shared Information Governance Officer with Medway who is an active member of the Information Governance Group and involved in all matters concerning information governance within the authority.				