

**GRAVESHAM BOROUGH COUNCIL**

# **Corporate Risk Register**

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2019-2020

Gravesham’s Corporate Risk Register is the result of an annual strategic risk management exercise conducted to identify, analyse and prioritise those risks that may affect the ability of the council to achieve its corporate objectives. The key risks facing the council were identified through discussion with Cabinet Members, Finance and Audit Committee Members, Members, Directors, Assistant Directors, Service Managers and other senior managers.

The Corporate Risk Register outlines the key strategic risks facing the council, the controls currently in place to respond to these risks and any further action required by the council to properly manage these risks. The actions that the council has in place/needs to implement are assessed as one of the following:

- **Good** – actions in place will mitigate the risk and no further action is required.
- **Adequate** – 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.

The following matrix is utilised when assessing whether a risk is a high, medium or low risk for the council:

**The Risk Matrix**

<b>LIKELIHOOD</b>	<b>Very High</b>	5	5	10	15	20	
	<b>High</b>	4	4	8	12	16	
	<b>Medium</b>	3	3	6	9	12	
	<b>Low</b>	2	2	4	6	8	
	<b>Very Low</b>	1	1	2	3	4	
	<b>High Risk</b>		1	2	3	4	
	<b>Medium Risk</b>		<b>Negligible</b>	<b>Significant</b>	<b>Serious</b>	<b>Critical</b>	
	<b>Low Risk</b>						
	<b>IMPACT</b>						

## Guidance used for assessing Likelihood and Impact

### Likelihood:

Rating	Score	
Very High	5	On the evidence and knowledge of officers and members it is almost certain that this issue will occur sometime within the next year. The issue may have already occurred in previous years either at the council or elsewhere.
High	4	On the evidence and knowledge of officers and members it is very likely that this issue or event will occur in the coming year.
Medium	3	On the evidence and knowledge of officers and members the issue is more likely to occur than not in the coming year.
Low	2	On the evidence and knowledge of officers and members it is unlikely that this event will occur in the coming year. Occurrences of this risk have occurred in the past but occurrences are very few and far between.
Very Low	1	On the evidence and knowledge that this event would occur in either the coming year or in future years.

### Impact:

Rating	Score	
Critical	4	The financial impact on the authority would critically threaten the council's financial stability. The delivery of service to the public could be affected either permanently or for a long duration and the council could not achieve its key objectives. There would be a seriously damaging impact on the council's reputation through poor media coverage.
Serious	3	The financial impact on the authority would be serious although would not threaten the stability of the council's financial position. Services would experience disruption with the delivery of services being affected for a number of days. Whilst the council's objectives would be met there would be significant delays in achieving them. The council would endure poor media coverage for a period of time affecting the council's reputation which would take some time to recover from.
Significant	2	There would be a financial impact on the authority however this would be manageable within the council's existing financial resources. There may be disruption to services and possibly delays in achieving the council's objectives. There may be poor media coverage which could affect the council in the long term.
Negligible	1	There is little or no financial impact of the risk to the authority. There would be no disruption to the delivery of the council's key objectives or frontline services. It is unlikely that this risk will impact on the council's reputation.

Given that the council works in an ever-changing environment it will be necessary to conduct similar risk management exercises on a periodic basis. Progress against management actions recorded in the register will be reported to Cabinet on a quarterly basis and the register will be reviewed on a six-monthly basis by the Finance and Audit Committee.

As a contribution to good corporate governance, risk management also forms a part of the annual business planning process – each departmental business plan has a specific service risk register to identify the key risks facing that service. This reinforces the corporate risk management approach through each Service Manager giving proper formal consideration to both corporate and operational risks

<b>The Risk</b>	<b>Ongoing financial viability of the Council</b>					<b>Risk No.</b>	<b>1</b>				
<b>Assessment Date</b>	January 2019										
<b>INHERENT RISK SCORE</b>					<b>RESIDUAL RISK SCORE</b>						
<b>Likelihood</b>	5	<b>Impact</b>	4	<b>Score</b>	20	<b>Likelihood</b>	4	<b>Impact</b>	3	<b>Score</b>	12

<b>Cabinet Portfolio</b>	Leader of the Executive (but affects all portfolios)
<b>Risk Background</b>	<p>Funding pressures on local government continue to put unprecedented strain on the financial sustainability of local authorities. 2019-20 will be the final year of the multi- year local government finance settlement and the council has experienced a cash reduction in government funding levels of some £5m (65%) since 2010-11 m(excluding New Homes Bonus Scheme,).</p> <p>When drafted, the council's Medium-Term Financial Strategy 2016-17 to 2019-20 identified a funding gap by 2019-20 of £2.5m. This identified gap has increased since 2016 due to changes in the design of the New Homes Bonus Scheme and the council not meeting the 'deadweight' level required to secure funding under the scheme every year, slower than predicted increases in the Bank of England base rate and employee pay awards being greater than budgeted. The council has taken great strides in proactively managing its financial position through its Bridging the Gap activity and a further £1.3m of activity was agreed by Cabinet in November 2018 to meet the additional pressures that have become apparent since 2016. In setting the budget for 2019-20 the council will be realising base budget reductions of some £3.5m derived from this activity within its Medium Term Financial Plan (MTFP).</p> <p>There is little information currently available regarding the level of government funding the council might anticipate receiving after 2019-20. The 2019 Spending Review is expected in Spring 2019 and will set the envelope of spending for the Ministry of Housing, Communities and Local Government (MHCLG). The Fair Funding Review, to be implemented in 2020-21, will set new finding baselines for individual local authorities based on their assessed relative needs and the assessed relative resources the authority can access. There is an expectation that the Resource Departmental Expenditure Limit for the MHCLG will be squeezed and the Fair Funding review (the design of which is expected to be known in Autumn 2019) will see a greater concentration of resources directed to authorities with Upper Tier responsibilities; both of these events will put further pressure on the council's financial sustainability. Linked to this, the future design of the Business Rates Retention Scheme is still unclear. Business Rates is the second largest funding stream for the council, after Council Tax, and will be equivalent to around 25% of the council's net revenue budget in future years.</p>
<b>Consequences</b>	<ul style="list-style-type: none"> <li>• Inability to plan effectively due to the lack of clarity around the future level of government funding support and how the business rates retention scheme will operate in practice.</li> <li>• Potential for MHCLG to reduce the total funding available to the council (including retained business rates) beyond the levels projected in the MTFP to support other departmental funding pressures.</li> <li>• Council exposed to increased financial risk and volatility from changes to funding and any redesigned business rates scheme.</li> </ul>

	<ul style="list-style-type: none"> <li>• Unplanned cuts in services needed and/or drop in quality of delivery, potentially leading to damage to Council's reputation.</li> <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>• New legislative requirements not met.</li> <li>• Uncertainty over future large projects.</li> <li>• Potential for infrastructure to deteriorate.</li> <li>• Potential for the introduction of further statutory discounts for Business Rates payers without compensation from central government.</li> </ul>				
<b>Controls already in place</b>	<ul style="list-style-type: none"> <li>• Medium Term Financial Strategy in place</li> <li>• Medium Term Financial Plan in place</li> <li>• Robust Budget Monitoring arrangements in place</li> <li>• Responding actively to government consultation on the Fair Funding Review and Retained Business Rates Scheme Design</li> </ul>				
<b>Key corporate documents and processes</b>	<p>Medium Term Financial Strategy  Medium Term Financial Plan  Budget monitoring process</p>				
<b>Risk Owner (s)</b>	Director (Corporate Services); Assistant Director (Corporate Services)				
<b>Additional actions required to further mitigate risk</b>					
<b>Required Management Action</b>		<b>Lead Officer(s)</b>		<b>Target Date</b>	
<p>General Revenue Reserve increased from £2 million to £4 million to mitigate financial risks.  Reassessment of Commercial Income Protection Reserve to a level equivalent to 15% of rental income.  Continued delivery of Bridging the Gap activity and additional £1.3m of activity approved by Cabinet in November 2018.  Development of a new Medium Term Financial Strategy for the council once the outcomes of the Fair Funding Review and Retained Business Rates Scheme design are known.</p>		<p>Director  (Corporate Services)  Assistant Director  (Corporate Services)</p>		<p>On-going</p>	
<p>Continued maintenance of the Medium Term Financial Plan.  Modelling of the effects of the Fair Funding review and Retained Business Rates Retention Scheme once known.</p>		<p>Assistant Director  (Corporate Services)</p>		<p>On-going</p>	
<p>Continuation of the programme of development for the council's Financial Management System.  Continue compliance with budget monitoring arrangements</p>		<p>Assistant Director  (Corporate Services)</p>		<p>On-going</p>	
<p>Continuation of approach to responding to central government consultations on funding for local government</p>		<p>Assistant Director  (Corporate Services)</p>		<p>On-going</p>	
<b>Target for end of the 2019-20 financial year</b>					
<b>Likelihood</b>	4	<b>Impact</b>	3	<b>Score</b>	12

<b>The Risk</b>	<b>Changes in national priorities and legislative change</b>					<b>Risk No.</b>	<b>2</b>				
<b>Assessment Date</b>	January 2019										
<b>INHERENT RISK SCORE</b>					<b>RESIDUAL RISK SCORE</b>						
<b>Likelihood</b>	<b>5</b>	<b>Impact</b>	<b>3</b>	<b>Score</b>	<b>15</b>	<b>Likelihood</b>	<b>5</b>	<b>Impact</b>	<b>3</b>	<b>Score</b>	<b>15</b>

<b>Cabinet Portfolio</b>	All Portfolios										
<b>Risk Background</b>	<p>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>										
<b>Consequences</b>	<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>										
<b>Controls already in place</b>	<ul style="list-style-type: none"> <li>• Circulation of monthly policy &amp; legislative briefings</li> <li>• Proactive arrangements to respond to consultations from central government departments and agencies.</li> <li>• Establishment of new Member training and development plan for the next three years</li> <li>• Maintenance of interaction with partner agencies</li> </ul>										
<b>Key corporate documents and processes</b>	Corporate Plan 2015-19 Medium Term Financial Strategy and Medium Term Financial Plan										
<b>Risk Owner (s)</b>	Chief Executive and Management Team										
<b>Additional actions required to further mitigate risk</b>											
<b>Required Management Action</b>						<b>Lead Officer(s)</b>			<b>Target Date</b>		
Continued circulation of monthly policy & legislative briefings						Corporate Performance Manager			On-going		
Make proactive arrangements to respond to consultations from central government departments and agencies.						Wider Management Team			On-going		

<b>Required Management Action</b>		<b>Lead Officer(s)</b>	<b>Target Date</b>		
Develop a Member Induction Programme to support all Members elected to the Council in the May 2019 Local Elections. Continue to deliver a training and development plan to Members.		Committee Services Manager/Wider Management Team	On-going		
Maintain interaction with partnership agencies		Committee Services Manager/Corporate Performance Manager	On-going		
<b>Target for end of the 2019-20 financial year</b>					
<b>Likelihood</b>	5	<b>Impact</b>	3	<b>Score</b>	15



<b>The Risk</b>	<b>Organisational capacity/ resilience</b>					<b>Risk No.</b>	<b>3</b>				
<b>Assessment Date</b>	January 2019										
<b>INHERENT RISK SCORE</b>					<b>RESIDUAL RISK SCORE</b>						
<b>Likelihood</b>	<b>5</b>	<b>Impact</b>	<b>4</b>	<b>Score</b>	<b>20</b>	<b>Likelihood</b>	<b>5</b>	<b>Impact</b>	<b>3</b>	<b>Score</b>	<b>15</b>

<b>Cabinet Portfolio</b>	Deputy Leader (but affects all portfolios)
<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
<b>Consequences</b>	<ul style="list-style-type: none"> <li>• Council unprepared for changes resulting in pressure being placed on resources, this in turn could lead to the council struggling to meet changes in demand for services.</li> <li>• Services areas with reduced staff will suffer a greater impact which in turn will add pressures on already stretched resources.</li> <li>• Increased organisational stress can negatively impact productivity, which in turn can reduce staff motivation, create low morale and increase sickness and stress levels.</li> <li>• The council will be required to provide additional help and support to overcome the problems that result from increased organisational stress.</li> <li>• Increases in liability claims and weaknesses in internal controls could result due to there being insufficient staff resources to carry out essential roles and responsibilities.</li> <li>• Cuts in services and a potential drop in service quality is also possible.</li> </ul>
<b>Controls already in place</b>	<p>Effective allocation of resources</p> <p>Flexible working arrangements</p> <p>Provision of training and support</p> <p>Workforce Support</p>
<b>Key corporate documents and processes</b>	<p>Corporate Business Plan 2015-19</p> <p>Workforce Development Plan</p>
<b>Risk Owner (s)</b>	Chief Executive and Management Team

<b>Additional actions required to further mitigate risk</b>					
<b>Required Management Action</b>		<b>Lead Officer(s)</b>		<b>Target Date</b>	
Management Team to continue with consistently reviewing staff vacancies and restructuring opportunities to ensure that resources are allocated effectively in each area, this will be complemented by regular budgetary and performance management data which identifies areas of the council that are experiencing pressures		Management Team		On-going	
Shared service opportunities will continue to be explored and provide more flexibility to staff who transfer to larger authorities.		Management Team		On-going	
Appraisals will continue to be carried out on an annual basis and training needs identified. Workforce development will maintain liaison with Service Managers and above to identify training programme for the year ahead which will be monitored by HR. All employees will be given access to a wide range of e-learning and the ability to book onto physical training courses		Director (Communities)		On-going	
Joint staff forum meetings are to continue and be held every 8 weeks with members of management team in attendance as well as trade union representatives. HR will maintain monthly catch up meetings with the Trade Unions in order to discuss concerns that may be raised by their members.		Director (Communities)		On-going	
<b>Target for end of the 2019-20 financial year</b>					
<b>Likelihood</b>	5	<b>Impact</b>	3	<b>Score</b>	15

<b>The Risk</b>	<b>Implementation of the Homelessness Reduction Act</b>					<b>Risk No.</b>	<b>4</b>				
<b>Assessment Date</b>	January 2019										
<b>INHERENT RISK SCORE</b>				<b>RESIDUAL RISK SCORE</b>							
<b>Likelihood</b>	5	<b>Impact</b>	3	<b>Score</b>	15	<b>Likelihood</b>	5	<b>Impact</b>	3	<b>Score</b>	15

<b>Cabinet Portfolio</b>	Housing (H)
<b>Risk Background</b>	<p>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 (HR Act) amends Part 7 of the Housing Act 1996. There are 13 clauses that amend many of the previous homelessness duties and brought in a substantial number of new duties. The Council's Housing Options Service has got to grips with the new duties as required in order to comply with the legislation. The Act places additional burdens on the council and whilst some financial assistance was made available by the Government to assist in meeting the new duties, this has so far not been sufficient to meet the new burden, particularly in relation to the increased cost of temporary accommodation provision. The limited supply of dwellings to assist in meeting the new duties also continues to be an area of concern.</p> <p>There remains a risk of legal challenge if the authority is unable to meet the new legal duties arising from the Homelessness Reduction Act. There is also 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 still no guarantees of similar levels of funding beyond March</p>
<b>Consequences</b>	<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.</li> <li>• 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 HRAct changes</li> </ul>
<b>Controls already in place</b>	<ul style="list-style-type: none"> <li>• Maintain an understanding of the level of additional duties</li> <li>• Team Structure reviewed to deliver additional duties</li> <li>• Service to continue following cessation of New Burdens funding</li> </ul>
<b>Key corporate documents and processes</b>	Medium Term Financial Plan
<b>Risk Owner (s)</b>	Director (Housing and Regeneration); Assistant Director (Housing)

<b>Additional actions required to further mitigate risk</b>					
<b>Required Management Action</b>			<b>Lead Officer(s)</b>		<b>Target Date</b>
Keep abreast of any amendments or changes in the level of additional duties			Assistant Director (Housing)		Ongoing
Regular review of Team Structure to ongoing ability to deliver the required duties and promote awareness / understanding of additional team workload			Assistant Director (Housing)		Ongoing
Ensuring sustainability of the service following cessation of New Burdens funding			Assistant Director (Housing)		Ongoing
<b>Target for end of the 2019-20 financial year</b>					
<b>Likelihood</b>	5	<b>Impact</b>	3	<b>Score</b>	15

<b>The Risk</b>	<b>Universal Credit</b>					<b>Risk No.</b>	<b>5</b>				
<b>Assessment Date</b>	January 2019										
<b>INHERENT RISK SCORE</b>					<b>RESIDUAL RISK SCORE</b>						
<b>Likelihood</b>	5	<b>Impact</b>	3	<b>Score</b>	15	<b>Likelihood</b>	4	<b>Impact</b>	3	<b>Score</b>	12

<b>Cabinet Portfolio</b>	Performance & Administration (PA)
<b>Risk Background</b>	<p>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 was minimal and did not produce a risk score. Universal Credit live service was closed to new claims from 31 December 2017.</p> <p>Universal Credit 'Full' service commenced in May 2018 and is available for all types of claimant with the exception of a few categories.</p> <p>The Department for Work and Pensions (DWP) has overall responsibility for implementing Universal Credit, although the Council has a key role in providing Universal Support to residents who wish to claim. However Gravesham Citizens Advice provides the Assisted Digital Support and Personal Budgeting Support on our behalf. From 1 April 2019 the DWP will sub contract Citizens Advice to do the Assisted Digital Support and Personal Budgeting Support directly.</p> <p>Gravesham has its own housing and under the housing benefit scheme a weekly transaction was paid to the housing account without the tenant having to take responsibility and providing security of payment for the Council and security of tenancy for the customer. Under UC there is no certainty that Housing will receive the housing cost payment if the customer receives the payment direct.</p>
<b>Consequences</b>	<p>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 data shows that currently in Full service caseload has dropped and the number of new claims received is starting to reduce however the workload has actually increased as a result of the number of notifications that the DWP JCP send through on a daily/weekly basis.</p> <p>Direct consequences are;</p> <ul style="list-style-type: none"> <li>• A reduction in HB caseload</li> <li>• A 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> <p>Indirect consequences are also expected, with increased costs of cash handling through the shift away from rebating benefit to cash transactions</p>

<b>Controls already in place</b>	<ul style="list-style-type: none"> <li>• Regular Meetings planned to take place with JCP Senior Officers.</li> <li>• Customers given help with claiming Universal Credit and managing finances.</li> <li>• Monitoring the impact of Universal Credit upon the Housing collection rate.</li> <li>• Contact with residents as well as social and private landlords to establish impact on Universal Credit</li> <li>• Maintain briefing arrangements for members and staff and provide regular updates of any changes</li> </ul>				
<b>Key corporate documents and processes</b>	Corporate Business Plan 2015-19 Revenues & Benefits Business Plan HRA Business Plan				
<b>Risk Owner (s)</b>	Director (Corporate Services) Service Manager Revenues & Benefits				
<b>Additional actions required to further mitigate risk</b>					
	<b>Required Management Action</b>		<b>Lead Officer(s)</b>		<b>Target Date</b>
	Continued liaison and meetings with the JCP by revenues and Benefits Officers, alongside officers from Housing, Customer Services and the Citizens Advice Bureau.		Service Manager (Revenues and Benefits) Assistant Revenues and Benefits Manager		On-going
	Citizens Advice to provide Personal Budgeting Support and Assisted Digital Support with the help of funding from the JCP.		Service Manager (Revenues & Benefits) Assistant Director (Housing)		On-going
	Housing officers have access to the Landlord Portal, are aware of all tenants in receipt of UC and continue to closely monitor Rent Accounts. Opportunities to make arrangements for direct payment where appropriate will be sought.		Assistant Director (Housing)		On going
	Liaison will continue with the DWP, CAB, Housing, Private /Social landlords, council tenants and Customer Services to ensure that residents can be kept informed of how the introduction of UC Full Service will affect them.		Service Manager (Revenues & Benefits)		On-going
	Briefing arrangements will be maintained to keep Members and staff regularly updated of any changes that occur.		Service Manager (Revenues & Benefits)		On-going
<b>Target for end of the 2019-20 financial year</b>					
<b>Likelihood</b>	4	<b>Impact</b>	3	<b>Score</b>	12

<b>The Risk</b>	<b>Withdrawal of the United Kingdom from the European Union</b>					<b>Risk No.</b>	<b>6</b>				
<b>Assessment Date</b>	January 2019										
<b>INHERENT RISK SCORE</b>						<b>RESIDUAL RISK SCORE</b>					
<b>Likelihood</b>	5	<b>Impact</b>	4	<b>Score</b>	20	<b>Likelihood</b>	5	<b>Impact</b>	3	<b>Score</b>	15
<b>Cabinet Portfolio</b>	All Portfolios										
<b>Risk Background</b>	<p>In June 2016, the United Kingdom (UK) voted to leave the European Union (EU). The UK is scheduled to leave the EU at 11pm local time on 29 March 2019. A withdrawal agreement and political declaration on future ties with the bloc were announced by the Prime Minister in November, though there has been little public support for this and the House of Commons vote on the exit agreement was lost on 15 January 2019. This has led to a heightened level of political and economic uncertainty around the future of the country as well as uncertainty as to whether Brexit will actually take place on 29 March 2019. In a 'No Deal' situation, the UK would revert to World Trade Organisation rules after 29 March 2019.</p>										
<b>Consequences</b>	<ul style="list-style-type: none"> <li>• Lack of clarity on when the EU withdrawal may take place or impact on government spending plans.</li> <li>• Difficulty in delivering services due to disruption to the road network as a consequence of increased border and customs checks on port freight traffic. Disruption in particular to waste collection and disposal and to staff ability to reach their usual place of work.</li> <li>• Potential for council income from services to reduce due to service disruption or changes to customer behaviour (car parking).</li> <li>• Potential longer term impacts on staffing and future recruitment and legal and regulatory framework of the country.</li> <li>• Potential impacts on the council's supply chain and the procurement of supplies and services (through actual supply and inflation-linked contracts).</li> <li>• Potential to cause instability in interest rates, affecting investment decisions, returns from current investments and pension fund liabilities. Potential to cause a downgrading in UK sovereign rating and UK institutional ratings, limiting options for investment decisions. Impact may also be felt on existing commercial property rental income returns and capital values.</li> <li>• Potential impacts on funding for longer term regeneration and infrastructure development plans.</li> <li>• Increased risk of intentional attempts to disrupt council services around 29 March 2019 through cyber and other means.</li> <li>• Social Unrest and increase in public disorder.</li> </ul>										

<b>Controls already in place</b>	<ul style="list-style-type: none"> <li>• The council is part of the Kent Resilience Forum (KRF) who are co-ordinating Kent-wide Brexit contingency planning arrangements</li> <li>• Business Continuity Plans up to date and in place for all services.</li> <li>• Arrangements are in place to enable some staff to work from alternative locations or work flexibly in the event that they are unable to travel to their normal place of employment.</li> <li>• Engagement with key partners and key supply chain providers to seek assurance on their preparedness.</li> </ul>				
<b>Key corporate documents and processes</b>	Business Continuity Plans				
<b>Risk Owner (s)</b>	Management Team				
<b>Additional actions required to further mitigate risk</b>					
<b>Required Management Action</b>		<b>Lead Officer(s)</b>		<b>Target Date</b>	
Proactive engagement with County-wide contingency planning arrangements.		David Hughes (as part of the KRF Executive Board)		On-going	
Business Continuity Plans to be reviewed and updated to ensure they remain fit for purpose.		Wider Management Team		On-going	
IT Infrastructure to support remote working where possible. Consideration of alternative working patterns where this may support service continuity, or review hours of service provision. Consideration of additional staffing or temporary redeployment of staff to high priority services Consideration of reciprocal cross-authority working opportunities to support critical service delivery and enable staff to work at their nearest local authority temporarily.		Wider Management Team		On-going	
Maintain interaction with key partners and supply chain providers to seek assurance on their preparedness		Wider Management Team		On-going	
<b>Target for end of the 2019-20 financial year</b>					
<b>Likelihood</b>	5	<b>Impact</b>	3	<b>Score</b>	15



<b>The Risk</b>	<b>Cyberattack Resulting in data breach or Corruption of data</b>					<b>Risk No.</b>	<b>7</b>				
<b>Assessment Date</b>	January 2019										
<b>INHERENT RISK SCORE</b>						<b>RESIDUAL RISK SCORE</b>					
<b>Likelihood</b>	3	<b>Impact</b>	4	<b>Score</b>	12	<b>Likelihood</b>	3	<b>Impact</b>	4	<b>Score</b>	12
<b>Cabinet Portfolio</b>	Leader										
<b>Risk Background</b>	<p>As more reliance grows on IT Systems the risks surrounding a cyberattack disrupting those systems becomes more important. Whilst there is no specific targeted threat to local government (confirmed by the National Cyber Security Centre), criminal activity via Cyber methods remains the most likely motivation. The "Official 2019 Annual Cybercrime Report," by Cybersecurity Ventures lists Cyber Crime as the world's biggest criminal growth industry.</p> <p>Whilst technical and non-technical controls can be put in place to reduce the ease at which an IT Infrastructure can be attacked, unknown vulnerabilities (zero day threats) and / or a determined attacker can defeat even the most secure systems.</p> <p>Alongside protecting systems should be well practiced incident response plans</p>										
<b>Consequences</b>	A cyberattack can result in the unavailability of systems for normal use, destruction of systems and data, and the theft of data for criminal use.										
<b>Controls already in place</b>	<ul style="list-style-type: none"> <li>• Technical security controls</li> <li>• Security policies</li> <li>• IT health checks and penetration tests</li> <li>• Incident Response Plans</li> <li>• Cyberattack exercise scenarios</li> <li>• Mandatory training for staff and Members on cyber security</li> </ul>										
<b>Key corporate documents and processes</b>	Business Continuity Plans										
<b>Risk Owner (s)</b>	Director (Corporate Services)										
<b>Additional actions required to further mitigate risk</b>											
<b>Required Management Action</b>						<b>Lead Officer(s)</b>			<b>Target Date</b>		
<p>Ensure technical controls (such as firewalls, anti-virus, filtering, log monitoring) remain in place and are regularly reviewed.</p> <p>Ensure offsite backup arrangements remain in place and are regularly reviewed.</p> <p>Continue with maintaining participation in local and national Warning, Advice and Reporting Points for up to date situational intelligence information</p> <p>Continue maintaining direct engagement with the National Cyber Security Centre and use of their Active Cyber</p>						Service Manager (IT Services)			On-going		

Defence tools Complete improvements to existing controls which includes additional backup facilities, faster recovery from backups and a partnership approach to proactively monitoring security event information.			
Expand existing Business Continuity Plans so they cover in more detail the specifics of cyberattacks. Engage with the Local Resilience Partnership through the MHCLG Pathfinder programme to ensure multi-agency response is appropriate Conduct regular exercises to assess cyberattack recovery plans		Service Manager (IT Services)	Ongoing
<b>Required Management Action</b>		<b>Lead Officer(s)</b>	<b>Target Date</b>
Rollout training to all staff and members to raise awareness of the cyber threat and to promote good practice to minimise the human risk factor		Service Manager (IT Services)	Ongoing
<b>Target for end of the 2019-20 financial year</b>			
<b>Likelihood</b>	3	<b>Impact</b>	4
		<b>Score</b>	12