

GRAVESHAM BOROUGH COUNCIL

CORPORATE RISK REGISTER

2022-2023

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

The risk management exercise establishes the severity of risks through the utilisation of the risk matrix below. The risk matrix is used to establish the inherent risk score, the residual risk score and the target risk score.

The Inherent Risk – The severity of the risk is determined before any controls have been introduced to reduce or mitigate the risk.

The Residual Risk – The severity of the risk is determined after implementation of controls that reduce or mitigate the risk. The “residual” risk position is effectively the “tolerable” risk position which the Council is **willing** to operate given current constraints. It balances the funding position with objectives outlined in the councils Corporate Plan.

The Target Risk – This is the “Optimal” risk position which the Council **aims** to reach through a combination of both improvements in existing controls and the introduction of new ones. This is informed by the Councils objectives detailed in the Corporate Plan.

The Risk Matrix

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

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 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 significant although would not threaten the stability of the councils 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 may be financial impact on the authority and/or the cost of mitigating the risk could exceed the financial implications of the risk 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. There is no risk of this risk impacting on the councils reputation

All risks identified for 2022-2023 and their assessments are summarised in the table below and plotted in the Heat Map:

Risk Ref	Risk Description	Inherent Risk	Residual Risk	Target Risk
1	On-going financial viability of the council	20	12	9
2	Changes in national priorities and legislation	20	15	12
3	Organisational capacity/resilience	20	12	9
4	Cyberattack resulting in data breach or corruption of data	16	12	8
5	Investment risk	15	10	9
6	Adoption and delivery of sound Local Plan	16	12	9
7	Universal credit	15	6	9
8	IT infrastructure is not updated to meet the needs of the organisation	20	9	2

The risks that have generated a “High Risk” score can be seen coloured in red and these have therefore been included in the 2022-2023 Corporate Risk Register.

Risk Heat Map (Residual Risk)

LIKELIHOOD	Very High	5		5	2	
	High	4			1,3,6	
	Medium	3		7	8	4
	Low	2				
	Very Low	1				
	High Risk		1	2	3	4
	Medium Risk					
Low Risk		Negligible	Significant	Serious	Critical	
IMPACT						

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 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.

The Risk					Ongoing financial viability of the Council										Risk No.		1
Link to Corporate Objective					# Progress An entrepreneurial authority; commercial in outlook and committed to continuous service improvement, underpinned by a skilled workforce and strong governance environment												
Assessment Date					January 2022												
Cabinet Portfolio					Leader of the Executive (but affects all portfolios)												
Risk Owner(s)					Director (Corporate Services); Assistant Director (Corporate Services)												
INHERENT RISK SCORE					RESIDUAL RISK SCORE					TARGET RISK SCORE							
Likelihood	5	Impact	4	Score	20	Likelihood	4	Impact	3	Score	12	Likelihood	3	Impact	3	Score	9

Lead Officer (s)										Target Date							
Director (Corporate Services); Assistant Director (Corporate Services)										March 2023							

Trigger	Consequences	Mitigation / Control
<p>Financial Challenges due to changes in government legislation and posed by the COVID-19 Pandemic, leading to increased financial pressure on the budget.</p> <p>Single year finance settlement for 2022/23 leaving uncertainty as to how local government will be funded in future years.</p> <p>Central Government Finance reforms have been put on hold (fair funding review, business rates retention and future of new homes bonus).</p>	<ul style="list-style-type: none"> Difficult decisions around funding of services and quality of services compromised Inability to plan effectively for future years. Traditional income generating activity has reduced (such as car parking income and investment income) as a result of the COVID -19 Pandemic. Council not being able to meet its statutory obligations due to lack of funding Uncertainty of funding for the authority and for future projects Changes in legislation have a negative financial impact on the Council. Impact on minimum reserve limits. 	<ul style="list-style-type: none"> Effective Budget Monitoring Medium Term Financial Strategy in place Ongoing monitoring of the Medium Term Financial Plan Monitoring of changes in legislation by officers. Model effects of any changes in legislation and application of these to the MTFP Responding to Government Consultations

Key corporate documents and processes in place	<ul style="list-style-type: none"> Medium Term Financial Strategy Medium Term Financial Plan Budget monitoring process
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The Risk	Changes in national priorities and legislative change										Risk No.	2					
Link to Corporate Objective	<p>#People: a proud community; where residents can call a safe, clean and attractive borough their home.</p> <p>#2 Place: a dynamic borough; defined by a vibrant and productive local economy taking advantage of growth in the area, supported by its strong and active community.</p> <p>#3 Progress: an entrepreneurial authority; commercial in outlook and committed to continuous service improvement, underpinned by a skilled workforce and strong governance environment.</p>																
Assessment Date	January 2022																
Cabinet Portfolio	All portfolios																
Risk Owner(s)	Chief Executive and Management Team																
INHERENT RISK SCORE					RESIDUAL RISK SCORE					TARGET RISK SCORE							
Likelihood	5	Impact	4	Score	20	Likelihood	5	Impact	3	Score	15	Likelihood	4	Impact	3	Score	12

Lead Officer (s)	Target Date
Chief Executive/ Management Team/Wider Management Team	March 2023

Trigger	Consequences	Mitigation / Control
<p>Changes in national priorities including National Significant Infrastructure Projects (NSIP). Current proposals that affect the Borough are:</p> <ul style="list-style-type: none"> • Lower Thames Crossing (Gravesham) • Thurrock Flexible Generation Plant (Tilbury) • London Resort (Dartford, Gravesham) <p>Local priority changes of partners</p>	<p>Council may not have the necessary resources to deliver on key projects. Projects may adversely affect local residents</p>	<p>Circulation of monthly briefings to key officers Working alongside other stakeholders and partner organisations to keep informed of developments such as:-</p> <p>Local Government Association District Councils Network Kent Finance Officers Group Kent Resilience Forum</p> <p>Information sharing and gathering across all Council services</p>
<p>Change (s) in legislation / statutory duties imposed by Central Government such as</p> <ul style="list-style-type: none"> • Local Government Reform • Levelling Up Agenda 	<p>Introduction of new statutory duties could</p> <ul style="list-style-type: none"> • Change the strategic direction of the Council • Result in new statutory duties not being enacted leading to legal challenge • Entail additional workloads for officers • Move to an agile way, directing resources as required • Increase scrutiny by members and the public • change the way existing services are delivered • increase financial pressures (discussed as part of risk 1) 	<p>Circulation of monthly briefings to key officers on proposed / new legislation Effective business continuity planning Regular updates to members on developments and potential changes in legislation Preparation of workforce strategy Co-ordination and sharing of information with other local authorities through various networks and forums.</p>

Key corporate documents and processes in place	<ul style="list-style-type: none"> • Corporate Plan 2019-2023 • Medium Term Financial Strategy • Medium Term Financial Plan
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The Risk					Organisational capacity/resilience					Risk No.		3					
Link to Corporate Objective					#People: a proud community; where residents can call a safe, clean and attractive borough their home.												
Assessment Date					January 2022												
Cabinet Portfolio					Deputy Leader (but affects all portfolios)												
Risk Owner(s)					Chief Executive and Management Team												
INHERENT RISK SCORE					RESIDUAL RISK SCORE					TARGET RISK SCORE							
Likelihood	5	Impact	4	Score	20	Likelihood	4	Impact	3	Score	12	Likelihood	3	Impact	3	Score	9

Lead Officer (s)					Target Date				
Laura Lowrey					June/July 2022				

Trigger	Consequences	Mitigation / Control
External opportunities of agile and home working in light of the COVID pandemic is making it difficult to recruit staff, especially those in specialist roles.	Increase in turnover resulting with a reduction in staff, Specialist roles remain vacant for prolonged periods of time, placing additional pressures on staff in service areas which may already have stretched resources. Increased agency costs Services areas with reduced staff will suffer a greater impact	A Hybrid Working Policy was introduced from 1 November 2021 giving office based staff the opportunity to work from home, depending on the needs of the service. Initiatives that have been introduced to ensure the Council remains competitive in order to retain existing staff and attract potential employees include: <ul style="list-style-type: none"> Increased availability of training for (including qualification training). Revisiting and improving advert templates and reviewing where vacancies are advertised. HR and Managers working closely to ensure career progression is available within services. The introduction of a Management Development Programme
Overstretched resources resulting with reduced staff motivation, low morale and increased sickness and stress levels.	Council will be required to provide additional help and support to overcome problems.	HR continue to monitor the levels of stress and sickness absence within the Council and support line managers. When appropriate staff will be referred to Occupational Health and the Employee Assistance Programme. Other initiatives in order to support staff wellbeing that have been introduced and will continue, include: <ul style="list-style-type: none"> Undertaking periodic Wellbeing surveys amongst the workforce. Reviewing the format of the joint staff forum to ensure the whole workforce is represented at the meetings and includes a wellbeing item on the agenda. Undertaking weekly Webinars that are run by the Council's Employee Assistance Programme. Reviewing and promoting the role of the Councils Mental Health Champions. Continuing Investors in People reviews next one due in April 2022.
Staff (especially office based) experiencing difficulties in adapting to remote working	Increase in organisational stress negatively impacting productivity and mental health and wellbeing.	All line managers undertook training in November 2021 on Leadership Behaviours for Managing and Motivating Hybrid Teams. The Hybrid Working Policy provides office based staff the opportunity to adopt a better work life balance.

Key corporate documents and processes in place

- Corporate Business Plan 2019-2023
- Workforce Development Plan

The Risk	Cyberattack resulting in data breach or corruption of data	Risk No.	4														
Link to Corporate Objective	#3 Progress: an entrepreneurial authority; commercial in outlook and committed to continuous service improvement, underpinned by a skilled workforce and strong governance environment Deliver a more resilient, creative, cost effective Council Digital innovation Successfully manage key business risks																
Assessment Date	January 2022																
Cabinet Portfolio	Leader																
Risk Owner(s)	Director (Corporate Services)																
INHERENT RISK SCORE		RESIDUAL RISK SCORE		TARGET RISK SCORE													
Likelihood	4	Impact	4	Score	16	Likelihood	3	Impact	4	Score	12	Likelihood	2	Impact	4	Score	8

Lead Officer (s)	Target Date
Assistant Director (Transformation & IT)	November 2022

Trigger	Consequences	Mitigation / Control
Member of staff falls victim to phishing attack	The login credentials used by a member of staff is stolen enabling an unauthorised user to access and modify data and systems used by that person. In the case of a user with access to privileged systems this may also enable administrative access and the ability to move laterally between systems. The ultimate consequence could be a cyber-attack resulting in a loss of access to Council systems and data.	<ul style="list-style-type: none"> • Cyber awareness training for staff • Use of strong passwords • Use of multifactor authentication • Separation of administrative accounts from general user accounts • In 2022 a dedicated IT Security Officer post will be established which will coordinate all IT security activity across the Council and improve our security posture
Member of staff falls victim to “drive by download”	A member of staff visits a website which has been poisoned with malware which automatically runs when the web page is viewed. The malware is able to access resources on the computer with the same level of access as the logged in user, or with elevated privileges if combined with additional vulnerabilities (such as unpatched software), The ultimate consequence could be a cyber-attack resulting in a loss of access to Council systems and data.	<ul style="list-style-type: none"> • Use of web filtering software to control access to known high risk websites • Use of antivirus software • Use of non-administrative accounts when browsing the web • Timely patching of software vulnerabilities • In 2022 a dedicated IT Security Officer post will be established which will coordinate all IT security activity across the Council and improve our security posture
Misconfiguration of IT Infrastructure results in a breach	An item of IT infrastructure is accidentally configured in such a way that it allows exploitation by an external actor to carry out a cyber-attack resulting in a loss of access to Council systems and data	<ul style="list-style-type: none"> • Policies, processes, and procedures for configuration of IT infrastructure • Staff training • In 2022 a dedicated IT Security Officer post will be established which will coordinate all IT security activity across the Council and improve our security posture
Brute force attack against IT infrastructure results in breach	An attacker constantly attempts to gain access to Council systems via external infrastructure (web sites, email systems, vpn) in a systematic way with the hope of finding a vulnerability which will provide access to Council	<ul style="list-style-type: none"> • Regular review of IT defences (such as firewall rules and network configurations) to ensure they are operating effectively

	systems and data. Once access has been gained, the ultimate consequence could be a cyberattack resulting in a loss of access to Council systems and data.	<ul style="list-style-type: none"> • Regular scanning of IT infrastructure to identify what an attacker is able to see • Central recording of security incident logs which can identify when attacks happen • In 2022 a Security Operations Centre managed service will be explored in order to provide 24/7 proactive monitoring of our IT environment and highlighting any risks for further action on immediate identification • In 2022 a dedicated IT Security Officer post will be established which will coordinate all IT security activity across the Council and improve our security posture
Unpatched software vulnerability results in breach	All software has the potential to have bugs and programming errors. Unpatched software means there are vulnerabilities in a program or code that the Council is aware of and will not or cannot fix. Bugs in software can be exploited to carry out tasks for which the software was not originally designed to perform, such as carrying out a cyber-attack.	<ul style="list-style-type: none"> • Only use software which is supported by the supplier • Apply patches to software in a timely manner when notified by the supplier of a vulnerability • In 2022 further systems and procedures will be explored for the automation of loading software patches to speed up the process and reduce the amount of time software is vulnerable • In 2022 a dedicated IT Security Officer post will be established which will coordinate all IT security activity across the Council and improve our security posture
Denial of service attack prevents IT systems from being used	The Council's internet connections is flooded with a high volume of meaningless data which prevent legitimate data from getting through. Access to Council services for staff and members of the public is prevented and the systems appear to be down.	<ul style="list-style-type: none"> • The Council's internet connection provided by KPSN features a high level of Distributed Denial of Service protection from JISC (the internet service provider) • In 2022 a Security Operations Centre managed service will be explored in order to provide 24/7 proactive monitoring of our IT environment and highlighting any risks for further action on immediate identification • In 2022 a dedicated IT Security Officer post will be established which will coordinate all IT security activity across the Council and improve our security posture
Ransomware attack steals and then deletes Council data	A malicious actor who has gained a foothold within the Council IT infrastructure is able steal large volumes of data before destroying access to that data for the Council. Staff are not able to access their systems or data and provide their services.	<ul style="list-style-type: none"> • Regular backup of data to systems that have ransomware protection and immutable storage • In 2022 a Security Operations Centre managed service will be explored in order to provide 24/7 proactive monitoring of our IT environment and highlighting any risks for further action on immediate identification • In 2022 a dedicated IT Security Officer post will be established which will coordinate all IT security activity across the Council and improve our security posture
Key corporate documents and processes in place	<ul style="list-style-type: none"> • Business Continuity Plans • IT Security Policies 	

The Risk					Investment Risk					Risk No.		5					
Link to Corporate Objective					#3 Progress: an entrepreneurial authority; commercial in outlook and committed to continuous service improvement, underpinned by a skilled workforce and strong governance environment												
Assessment Date					January 2022												
Cabinet Portfolio					Leader												
Risk Owner(s)					Director (Corporate Services)												
INHERENT RISK SCORE					RESIDUAL RISK SCORE					TARGET RISK SCORE							
Likelihood	5	Impact	3	Score	15	Likelihood	5	Impact	2	Score	10	Likelihood	3	Impact	3	Score	9

Lead Officer (s)					Target Date				
Director (Corporate Services), Assistant Director (Corporate Services)					March 2023				

Trigger	Consequences	Mitigation / Control
Investments do not perform as expected	Investment income is reduced, negatively impacting on budget and the reputation of the Council which could impact on the delivery of services due to the loss of income.	External professional advice is sought on new investment activity such as from the Councils treasury management advisors and subjected to due diligence checks Regular meetings with fund managers to ascertain how investments are performing. Maintaining and reporting on the Council's Treasury Management Strategy and Capital Strategy, which set out the criteria for investments Regular updates to members and management team on investment performance. Monitoring and review of treasury activity
Commercial property does not maintain the expected rental yield	Reduction in income for the Council which could adversely affect the delivery of services due to lack of financial resources.	Close working between finance and property services to enable early identification of risks or opportunities to the Council's investment portfolio. Maintaining the commercial income protection reserve. Currently this reserve is set at 25% of annual commercial income. Maintaining and reviewing the Property Acquisition Strategy and ensuring all commercial investments align with this strategy. Development of a Commercial Income Dashboard.
Government intervention on investment activity for example potential changes to the Prudential Code and access to Public Works Loan Board (PWLB)	Council could be limited in its investment options going forward Requirement to disinvest in some areas that are performing well to ensure compliance with the relevant codes and legislation.	Review of commercial property portfolio to ensure it is compliant with the Prudential Code and PWLB criteria. Research other investment opportunities / income streams.

Key corporate documents and processes in place	<ul style="list-style-type: none"> • Treasury Management Strategy • Capital Strategy • Property Acquisition Strategy
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The Risk					Adoption and delivery of a sound Local Plan					Risk No.		6					
Link to Corporate Objective					#Place												
Assessment Date					January 2022												
Cabinet Portfolio					Strategic Environment												
Risk Owner(s)					Director of Environment, Assistant Director (Planning)												
INHERENT RISK SCORE					RESIDUAL RISK SCORE					TARGET RISK SCORE							
Likelihood	4	Impact	4	Score	16	Likelihood	4	Impact	3	Score	12	Likelihood	3	Impact	3	Score	9

Lead Officer (s)										Target Date							
Service Manager (Planning) Assistant Director (Planning)										December 2023							
Trigger					Consequences					Mitigation / Control							
Local Plan is not up-to-date and not underpinned by a robust evidence base					<ul style="list-style-type: none"> Local Planning Authorities (LPAs) are required to have an up to date local plan in place by the end of 2023 or face government sanction / intervention If Government intervention: <ul style="list-style-type: none"> Reputational damage to the Council The potential imposition of unwanted planning policies, causing an inability to deliver upon the Council's that are dependent on the Local Plan Council less able to protect the Borough from inappropriate or poor quality development 					<ul style="list-style-type: none"> Service has taken up the offer of a PAS Local Plan Gateway Review which is an independent assessment of the risks and opportunities faced. The Local Plan is supported by a detailed project timetable / project plan that is used to control and manage the process, so far as that is possible and that this is periodically presented to Management Team for management update/monitoring purposes. There are risks which cannot be adequately mitigated because they are under the control of external organisations and the Council is reliant on those external parties for elements of the Local Plan. For example, updated transport modelling is required from Kent County Council in agreement with National Highways. This is outside of our direct control but essential for the plan. 							
Council is unable to identify a five-year land supply and fails the Government's Housing Delivery Test					<ul style="list-style-type: none"> Where councils' cannot demonstrate a five year supply, national planning policy, rather than policies in a Local Plan have greater influence in decision making National policy states there should be a "presumption in favour of sustainable development" for housing. This means that if a site can be considered to deliver 'sustainable development' then planning permission could be granted, even if there is no support from the council for housing in that location or the site sits outside the Local Plan. Councils have less 'control' over where new homes are built: <ul style="list-style-type: none"> May have to recommend approval of applications for sites they have not allocated Increase in rejected proposals approved at appeal. 					<ul style="list-style-type: none"> Production of Housing Delivery Action Plan and implementation of the interventions identified within it 							
Key corporate documents and processes in place					Housing Delivery Action Plan Local Development Scheme												

