

Swale Borough Council - Strategic Risk Register 2012 -2015

Foreword from the Leader of the Council

Swale Borough Council operates in increasingly difficult and volatile times. It is essential that we understand what the key risks are which affect our communities and the services we provide to them, and that we can respond flexibly to the challenges and opportunities these present. Times are changing for local government and our appetite for risk must be seen in this context.

The Strategic Risk Register has been prepared in order to identify and then manage the most important risks to the delivery of the Council's objectives and our reputation. It is intended to be a high level strategic document so the Register does not include subjects such as Emergency Planning, IT resilience, or Business Continuity Management, which, whilst important to running our business, are managed separately at an operational level.

Having identified the key strategic risks it is essential that we monitor what actions we are taking to mitigate and minimise their impact on what we do. Progress on the risks will be reported regularly to meetings of the Cabinet to ensure that we continue to move forward to achieve our strategic objectives by addressing those risks that might otherwise blow us off course. This is particularly important in the context of the ongoing national recession and its impacts locally, and the financial uncertainty around local authority funding. The Council needs to continue to make savings over the coming years by implementing a major transformation programme, managing the risks that we face well will help to ensure that we continue to provide good, resilient, services despite our reduced capacity.

The risk register will be regularly reviewed to ensure that it remains relevant in changing times.

Andrew Bowles
Leader of the Council

Risk Scenario 1: Impact of welfare reform

Risk Description:	The impact of welfare reform on our communities		Likelihood/Impact	Significant (4) / Severe (3)
Member Risk Owner	Cllr Andrew Bowles, Leader		Officer Risk Owner	Brian Planner
Vulnerability/ Contributing factors	Trigger(s) / Event(s)	Potential Impact/ Consequences	Current Controls/ Mitigations in place	
<ul style="list-style-type: none"> Welfare reform is being introduced e.g. Universal Credit / localising Council Tax Already high levels of deprivation within the Borough Households are moving to the area from London Still in a recessionary period / Government is likely to make further cuts in funding. Need to plan for the effects of a prolonged recession. 	<ul style="list-style-type: none"> Fail to adequately meet the timetable for the introduction of welfare reform – Local Council Tax scheme Cost shunting leading to unintended consequences for parts of the community Financial risk – changes lead to unbalancing of the budget Community bears higher costs/ impacts as a result of the changes 	<ul style="list-style-type: none"> Perceived inequalities across the borough Increased debt levels Adverse financial impact for the Council – Council Tax collection difficulties Increased demand for housing/ support Criticism of the Council 	<ul style="list-style-type: none"> Support the development of Kent Savers Credit Union 'Jam Jar' accounts for tenants in social and private rented homes Developing a 'Young Persons Team' to develop an instant response to an approach from a young homeless person Implemented a 'triage' system to the Housing Options front line Early intervention to identify households at risk of repossession or eviction, as a result of the changes brought about by welfare reform Joint approach through Kent Home Choice to tackle under occupation in social rented homes Two new joint Housing Options/Housing Benefits posts which will target households under threat of eviction County Wide approach through Kent Housing Options Group to identify and tackle street homelessness Working through Kent Housing Group with Kent Forum to agree a dashboard of indicators to provide intelligence of the impact of welfare reform on our 	

			<p>communities</p> <ul style="list-style-type: none">• Develop ways of using HB data to inform around population churn and movement from outside of the area• Adopting a Swale Health and Housing Partnership Health Inequalities Plan to ensure all agencies are engaged in improving health outcomes
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Risk Scenario 2: Regeneration

Risk Description:	Delivering our regeneration ambitions		Likelihood / Impact	High (5) / Severe (3)
Member Risk Owner	Cllr John Wright		Officer Risk Owner	Pete Raine
Vulnerability/ Contributing factors	Trigger(s) / Event(s)	Potential Impact/ Consequences	Current Controls/ Mitigations in place	
<ul style="list-style-type: none"> Facilitating/delivering regeneration is a key priority for the Council There are currently difficult global and local economic conditions and significant financial pressures on investors Government policies also have a significant impact on national and local economic conditions Increase in planning legislation Sittingbourne Plan/Local Plan obligations Unemployment increasing 	<ul style="list-style-type: none"> Prolonged funding cuts Private and public investment slows down or stops Closure or relocation of existing businesses Failed bids for regeneration funding Forced into making unsustainable decisions 	<ul style="list-style-type: none"> Quality of life in the borough fails to improve or deteriorates e.g. lack of employment opportunities, new housing etc. Loss of confidence from the public/ from potential investors in the borough Infrastructure doesn't come forward Sites remain vacant Reputation of the Council and borough undermined 	<ul style="list-style-type: none"> Manage expectations by making clear what we can and can't control Use scarce resources wisely by targetting effort at most promising leads Work with partners to share risk and maximise outreach Maintain 'open for business' mentality at all times 	

Risk Scenario 3: Localism

Risk Description	Managing the implications of Localism		Likelihood / Impact	Low (3) / Medium (2)
Member Risk Owner	Cllr Mike Cosgrove		Officer Risk Owner	Louise Matthews
Vulnerability/ Contributing factors	Trigger(s) / Event(s)	Potential Impact/ Consequences	Current Controls/ Mitigations in place	
<ul style="list-style-type: none"> The Localism Act formalises the localism requirement but this also has implications for the viability of the Council in the longer term The Council needs to support local people in taking control of their communities and this includes engaging with them in identifying and developing the capacity and skills required Right to Challenge' could have a greater impact and likelihood in some areas than in others. 	<ul style="list-style-type: none"> Unable to manage levels of demand e.g. implications of the right to challenge / capacity to provide support to organisations Community organisations fold / fail to deliver Difficulties maintaining governance and operational structures to meet ongoing Local Government responsibilities 	<ul style="list-style-type: none"> Reputation undermined Funding and budgeting difficulties Potential legal challenge Services have to be repositioned Unable to effectively plan long term service delivery Drain on resources/ resources wasted 	<ul style="list-style-type: none"> Corporate plan 2012-2015 sets out commitment to localism Peer Challenge review undertaken. Localism Prospectus and commissioning timetable produced Community services contract in place Localism fund established Will run 'Pitch Perfect' project Oct 2012 – Dec 2012 to support capacity building of VCS and town and parish councils Launching Swale Local Scheme to support viable business plans that apply for loans Regular Localism meetings chaired by the portfolio holder. Localism action plan produced 	

Risk Scenario 4: Financial uncertainty / volatility

Risk Description:	Financial uncertainty / volatility		Likelihood / Impact	Significant (4) / Major (4)
Member Risk Owner	Cllr Duncan Dewar-Whalley		Officer Risk Owner	Nick Vickers
Vulnerability/ Contributing factors	Trigger(s) / Event(s)	Potential Impact/ Consequences	Current Controls/ Mitigations in place	
<ul style="list-style-type: none"> Continued financial uncertainty around areas such as Comprehensive Spending Review, NNDR(Business Rates), localising Council Tax, use of reserves, Community Infrastructure Levy and income is reducing Further reductions in Government funding require the Council to make additional savings in the Medium Term Financial Plan Financial constraints may mean that the Council is forced into short term reactive planning Central Government and Kent County 	<ul style="list-style-type: none"> Government funding decisions do not fully consider local requirements/ impacts on operations Late notification of funding / have to make decisions at short notice or with limited information Additional funding reductions linked to a double dip recession and additional deficit reduction action by the Government New local authority funding 	<ul style="list-style-type: none"> Council fails to have the positive impact that it could The Council becomes risk averse – makes the problem worse Adverse impact on service delivery Financial waste Reputation undermined / residents' dissatisfaction Council overspends Prioritisation/ decisions are unsustainable / 	<ul style="list-style-type: none"> Medium Term Financial Plan update Annual budget process Monthly budget monitoring Budget task force Scrutiny of financial reports Information flows/networking e.g. Kent Forum, Kent Finance Officers, Local Government Association, LG Futures 	

<p>Council place responsibilities on the Council without transferring adequate funding</p> <ul style="list-style-type: none"> • Reducing levels of income – Business Rates, fees and charges. 	<p>system introduced 1 April 2013</p> <ul style="list-style-type: none"> • Impact on the Council’s budget of the introduction of Universal Credits • Significant increase in the level of inflation • Increasing budget pressures from demand-led budgets e.g. homelessness • Changing Government legislation 		
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Risk Scenario 5: Becoming the Council we need to be

Risk Description:	Becoming the Council we need to be		Likelihood / Impact	Significant (4) / Severe (3)
Member Risk Owner	Cllr Ted Wilcox		Officer Risk Owner	Mark Radford
Vulnerability/ Contributing factors	Trigger(s) / Event(s)	Potential Impact/ Consequences	Current Controls/ Mitigations in place	
<p>Becoming the Council we need to be includes:</p> <ul style="list-style-type: none"> • Building strong relationships with residents and business communities • Commissioning and contract delivery • Building strong relationships with partners • Making a reality of our values • Reviewing the shape and size of the organisation • Effective workforce planning and staff engagement • Having the right IT capability and capacity 	<ul style="list-style-type: none"> • Fail to get the right shape, structure, culture, relationships, ways of working • Failure of management to obtain staff buy-in and to deliver change • Failure to achieve understanding/ 'buy-in' from residents and business communities 	<ul style="list-style-type: none"> • Poor delivery of aspirations / priorities • Inefficient use of resources • Possible industrial action • Lost opportunities • Breakdown of officer / member relations • Reputation undermined 	<p>Effective implementation of:</p> <ul style="list-style-type: none"> • Communications programmes to engender cooperation from/support of residents and business communities • Leadership development programme • Workforce Plan and Strategy • Staff Engagement Strategy • Officer Code of Conduct • Robust performance management, internal audit and risk management frameworks • Commissioning and Procurement Strategy • Medium Term financial Strategy • Effective communication and consultation procedures • Channel Shift Project • MKIP Programme/ Partnership working • Transformation/Efficiency Reviews 	

Risk Scenario 6: Safeguarding

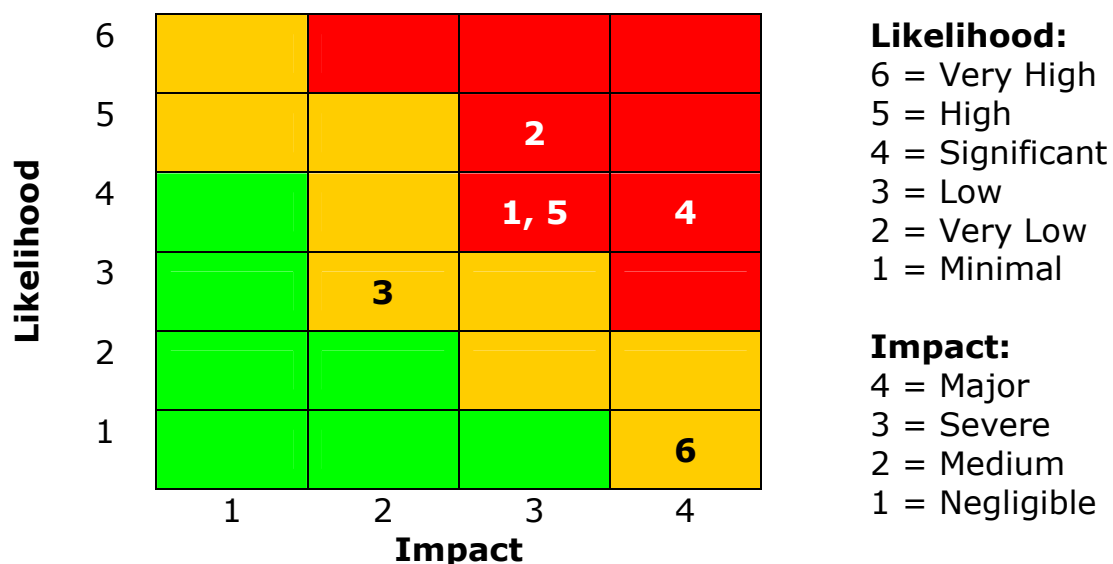
Risk Description:	Safeguarding People¹		Likelihood / Impact	Minimal (1) / Major (4)
Member Risk Owner	Cllr Lesley Ingham		Officer Risk Owner	Emma Wiggins
Vulnerability/ Contributing factors	Trigger(s) / Event(s)	Potential Impact/ Consequences	Current Controls/ Mitigations in place	
<ul style="list-style-type: none"> Although KCC is the statutory Safeguarding Authority and has the greater burden of responsibility, Swale also has statutory safeguarding responsibilities which it must fulfil The Council has key responsibilities for safeguarding adults and children and in doing so is responsible for spotting potential instances of harm / preventing them from suffering harm The Council's Safeguarding Policy was recently approved in March 2012. 	<ul style="list-style-type: none"> Failure to deal effectively with the statutory safeguarding authority Failure to update and implement safeguarding policy and procedures Failure to deal effectively with an allegation Lack of effective safeguarding skills 	<ul style="list-style-type: none"> Potential significant harm / loss of life Lack of clarity of responsibility among statutory partners Potential litigation/prosecution Confidence in the Council undermined Financial implications Morale declines Long term reputational damage 	<ul style="list-style-type: none"> Revised Policy in March 2012 implemented. Revised procedures in place. Regular safeguarding training. SPOC and deputy for safeguarding enquires in place. CRB audit and revised procedures put in place. Representation on District Safeguarding Forum. Recruitment of a dedicated 0.5 FTE Safeguarding Officer. 	

¹ These risks relate to Safeguarding insofar as Safeguarding is a statutory duty of the Borough Council. Other authorities, in particular Kent County Council, retain the majority of the statutory burden relating to Safeguarding of both children and adults.

Risk Prioritisation Matrix

Swale has identified six Strategic Risks which have been prioritised using the matrix below. These represent the key risks that the Council faces in delivering its objectives, which will be managed by the nominated Portfolio-holders and Senior Managers, and regularly reviewed by the Cabinet.

The risks were prioritised in terms of residual risk by taking account of actions and controls which are already in place to manage the risks.



Swale Strategic Risks:

Risk Scenario 1 = Impact of Welfare Reform on our communities

Risk Scenario 2 = Delivering Regeneration Ambitions

Risk Scenario 3 = Managing the implications of Localism.

Risk Scenario 4 = Financial uncertainty/ volatility

Risk Scenario 5 = Becoming the Council we need to be

Risk Scenario 6 = Safeguarding People