

APPENDIX B

Action Taken to Manage Strategic Risks since March 2007

Risk	Risk No	Risk Owner	Original Risk Assessment (March 2007)	Revised Risk Assessment at February 2008
Affordable Housing	16	Assistant Director of Customer Services	A2	B2 (reduced likelihood)
Deprivation	9	Assistant Director of Development and Community Services	B2	B2 (no change)
Education and other skills attainment	18	Deputy Chief Executive	B2	B2 (no change)
Infrastructure	21	Assistant Director of Development and Community Services	B2	B2 (no change)
Spatial Planning	28	Assistant Director of Development and Community Services	B2	B2 (no change)
Climate Change	8	Deputy Chief Executive	C2	C2 (no change)
(Lack of) Unitary Status	6	Chief Executive and Leader	B2	B2 (no change)
Strategic Partnership Working	39a	Chief Executive	A3	A2 (increased impact)
Partnership working – shared services	39b	Director of Change and Support Services	n/a - New risk	C3
Political Control	20	Leader and Chief Executive	D2	D2 (no change)
Workforce Planning/Talent Management	2	Head of Human Resources	C2	D2 (reduced likelihood)
Waste Management – review of waste collection	40	Assistant Director of Regulatory and Environmental Services	B2	B2 (no change)

Maidstone Borough Council Strategic Risk Profile 2008/9 – Risk Matrix at February 2008

The various risks are categorised in relation to their Impact and Likelihood as follows:

Likelihood

(risk numbers are shown)

- A Very high
- B High
- C Significant
- D Low
- E Very Low
- F Almost impossible

Impact

- 1 Catastrophic
- 2 Critical
- 3 Marginal
- 4 Negligible

Likelihood	A			39a	
	B			6. 9. 16. 18. 21. 28. 40	
	C		39b	8.	
	D			2. 20.	
	E				
	F				
Impact		4	3	2	1

Strategic Risk (16): Lack of Affordable Housing

'The Council has challenging affordable housing targets which it may not achieve'

Risk Score at March 2007 = A2 Target Risk Score = D3

Revised Risk Score at February 2008 = B2

Likelihood	A				
	B			B 2	
	C				
	D		D 3		
	E				
	F				
		4	3	2	1
		Impact			

Action/controls in place at February 2008	Required Management Action at February 2008	Action taken since March 2007
<ul style="list-style-type: none"> • A 'fit for purpose' Housing strategy • Capital programme • Inclusion in strategic plan (Targets) • Policies/Strategies (LDS, planning, S106) • Joint commissioning forum (RSLs) • County PFI • Housing Corp Bidding Rounds • Memorandum of understanding with Trust • Preferred development partners 	<ul style="list-style-type: none"> • Redirecting resources (priorities) • Lobbying for regional housing approach • Acceptance of cluster view 'of affordable housing' problem • Continued housing needs surveys to inform strategy progress. • Sustain and develop linkages with internal processes and widen policies (economic development to reduce the need for social housing.) 	<p>Affordable Housing Delivery Risk Assessments undertaken on a quarterly basis. Latest risk assessment undertaken identifies a 'best case' affordable completions figure of 249, with a 'worst case' figure of 242 for 2007-08. This now also gives us a 'best case' total of 494, or a 'worst case' total of 487 affordable completions for the period 2005-2008, which means current projections indicate we will meet and exceed the 480 affordable completions target by 1st April 2008. The above figures do not include any further Open Market Homebuy completions which may be delivered prior to year end.</p> <p>We will also have met and exceeded the target to deliver around 200 new affordable homes (directly funded by the Council), within the first five years after transfer (Feb 2004 to Feb 2009), having achieved 225 or 218 as at 1st April 2008, with more or less a year to spare.</p> <p>Assessment of Housing Capital Programme and expected forecast of expenditure of committed schemes within existing budgets. List of further planned schemes identified which the Council could fund, in order to help reduce under spend and take up uncommitted expenditure. Identified schemes to be listed in order of importance based on local housing strategic objectives, priorities and also deliverability. On track to spend the full budget of £4,112,105 for 2007/08.</p> <p>Meeting arranged in May 2007 and November 2007 with Housing Corporation's</p>

		<p>Investment Manager for the South East Region in order to discuss housing issues and investment opportunities in Maidstone.</p> <p>The Council is playing a key role in the Government's New Growth Point initiative and sustainable growth agenda, and was awarded Growth Point status in 2006. Maidstone has been awarded a £1.55million government grant to support the regeneration of the town and help create vital new jobs and housing. In addition the Council has agreed to enable the delivery of 10,080 new homes over the next 20 years. This potentially could supply over 4,000 new affordable homes through planning gain at a rate of 200 homes per annum.</p> <p>The Council looked at alternative ways of funding affordable housing, investigating other funders used by neighbouring Local Authorities to maximise the development of affordable housing, such as:-</p> <ul style="list-style-type: none"> • Asset Trust a private company who invest in affordable housing in partnership with RSL's and Councils. The Trust retains ownership of the property and draws up management agreements with the Housing Association involved and the Council retains nomination rights for the housing. This option has not been taken forward as any profit made unlike with RSLs currently development is paid to share holders and does not get re-invested into the local community. • Northern Affordable Homes provides a similar scheme but specialises in rural areas and only provides shared ownership units. From the surveys carried out in conjunction with the Parish Councils and Rural Housing Enablers to identify the specific need and tenure requirements of a parish; the surveys have returned results of a mixed tenure need so it is unlikely that the Council will proceed with this option at this time. • Land speed Affordable Homes Limited is a specialised provider of non-grant funded affordable shared ownership properties, working closely with developers and local authorities in ensuring planning policies are respected and genuine affordability is achieved on all schemes. The company either develop such homes directly or work with developers to
--	--	--

		<p>secure delivery in an 'enabling' capacity.</p> <ul style="list-style-type: none">• G2 (who are part of the George Wimpey Group) and Redrow who offer incentives and properties to first time buyers at affordable levels. The G2 concept is currently being looked at on the site at Furfield Quarry, with the possibility of delivering some G2 apartments for first time buyers, in addition to the existing affordable housing requirement.
--	--	---

Strategic Risk (9): Deprivation

'The Council may not effectively deal with deprivation in the borough.'

Risk Score at March 2007 = B2 Target Risk Score = E3

Revised Risk Score at February 2008 = B2

Likelihood	A				
	B			B 2	
	C				
	D				
	E		E 3		
	F				
			4	3	2
		Impact			

Action/controls in place at February 2008	Required Management Action at February 2008	Action taken since March 2007
<ul style="list-style-type: none"> • LSP • Community Development Unit • Partnerships • Crime and Disorder Reduction strategy • Healthy living centre • Maidstone Housing trust • New line learning • Digital challenge • Urban Initiatives High Street study 	<ul style="list-style-type: none"> • Skills educational attainment uplift • Employment prospects • New Growth point • Aspirations, self respect, health information-break generation cycle • Crime reduction interventions PCSO's • Review physical environment including infrastructure 	<p>Additional funding has been allocated to lifelong learning which includes training. In addition funding has been obtained for ADAM to run as a pilot in Parkwood to provide a network. In addition training is being aimed at teenage mothers to try to break the cycle in relation to 2nd and 3rd children.</p> <p>The health agenda is also being progressed in relation to teenage pregnancy and it is also being explored how it can be diversified into other areas. Growth Point has been confirmed as a part of the S.E Plan and a delivery trajectory which includes infrastructure has been developed Clearly though the outcome on this remains in the hands of Government and the S.E.Plan.</p> <p>The PCSO,s continue to be very involved in crime intervention but the level of crime remains problematic in some areas. By the nature of the work it is largely reactive.</p> <p>The physical environment generally is reviewed as part of the LDF, but a scoping report is being prepared to prepare an SPD taking forward the work of Urban Initiatives. There are other areas which are reviewed and cleaned because of anti social behaviour.</p> <p>This risk remains at B2 as some is in its early stages and other parts in the hands of other organisations.</p>

Strategic Risk (18): Educational and Other Skills Attainment

'Skills within the borough may not improve '

Risk score at March 2007 = B2 Target risk score = C2

Revised Risk score at February 2008 = B2

Likelihood	A				
	B			B2	
	C			C2	
	D				
	E				
	F				
		4	3	2	1
		Impact			

Action/controls in place at February 2008	Required Management Action at February 2008	Action taken since March 2007
<ul style="list-style-type: none"> • Director given watching brief. • Digital challenge bid and support for New Line learning agenda • Promotion of university campus • Park Wood plus • Council Commitment to prepare for next round of unitary Council bids continues with a Member Working Group. PWC have been commissioned to advise. • The Council has been successful in its bid to the Heritage Lottery Fund for £2m to 	<ul style="list-style-type: none"> • Unitary government • Scrutiny investigation leading to political consensus/action • LDF identification of university campus 	<ul style="list-style-type: none"> • Council formally resolved to follow a twin track approach following the White Paper. This includes a commitment to bid for Unitary Status next time round and to prepare accordingly. • The Customer Services and External Affairs Overview and Scrutiny Committee as part of the review of small businesses covered skills and education in relation to work experience. The scope of the review highlights the link between support for small businesses and the encouragement of entrepreneurialism in the borough. Recommendations included that schools in the Borough be encouraged to pursue a programme of adult ICT training, that the Cabinet Member consider the opportunity for the Council to co-ordinate the training provided by schools across the Borough to ensure a fair distribution of opportunities, that the Cabinet Member endeavours to foster good channels of communication and mutual assistance with UCCA, that a representative of the University College for the Creative Arts be invited to join an appropriate working group to assist the University College in maintaining good links with both the Council and local businesses, and that the Economic Development Team forge links with Kent Works, and work together with them to encourage local businesses to offer work experience placements to school pupils, and to develop apprenticeship opportunities. • LDF land allocations will not occur until 2008 but discussions with UCCA continue positively. • Support for New Line Learning continues with progress on planning

<p>create a new extension to the Museum. This will allow significant enhancement of educational activities at the Museum.</p>	<p>site</p> <ul style="list-style-type: none"> • Barracks/Junction7 site • Continued support for New line learning agenda 	<p>issues. Also funding achieved for the pilot stage of ADAM which supports NLL ideals.</p> <ul style="list-style-type: none"> • Life long learning adopted as a priority and £100k allocated to support this in the 2007/8 budget. • The Council commitment to prepare for the next round of unitary Council bids continues with a Member Working Group. PWC have been commissioned to advise. • The Council has been successful in its bid to the Heritage Lottery Fund for £2million to create a new extension to the Museum. This will allow the significant enhancement of education activities at the Museum.
---	---	--

Strategic Risk (21): Infrastructure

'Infrastructure developments may not meet borough aspirations/development needs.'

Risk Score at March 2007 = B2 Target Risk Score = E2

Revised Risk Score at February 2008 = B2

Likelihood	A				
	B			B 2	
	C				
	D				
	E			E 2	
	F				
		4	3	2	1
	Impact				

Action/controls in place at February 2008	Required Management Action at February 2008	Action taken since March 2007
<p>LDS committee decisions Political persuasion: Influence SEERA SEEDA Influence KCC Influence GOSE/DCLG Public Opinion/Press</p>	<p>Review LDS and resources in the light of member aspirations. 1) Evidence to base arguments on. 2) Resources at the right level Communication to manage expectation and advance arguments</p>	<p>The Council through evidence on the South East Plan and directly to Government has expressed the view that any development should be accompanied by the necessary infrastructure and the funding for it. In addition at the request of Government a delivery trajectory has been developed into which infrastructure is fed. This is part of the Governments CSR to determine what public funding will be available for infrastructure in Growth Points. This was announced in December and the Council received £1.6m for the next year, and an indication that it will receive similar amounts in the following 2 years. In addition the Policy Section is developing an SPD on S106 Agreements to ensure that developer funding is provided for infrastructure in accordance with Council Policy. Due to the level of funding received through Growth Point the Council is discussing this issue with external agencies. In addition Cabinet has agreed funding for additional posts which are about to be advertised. However there remains the issue as to whether suitable staff are available given the shortage of planners. The resolution of a number of these issues remain external to the Council, I have therefore left the risk score at B2.</p>

Strategic Risk (28): Spatial Planning

'The Council may be unable to achieve/promote/manage regeneration effectively through the Planning process.'

Risk Score at March 2007 = B2 Target Risk Score = D2

Revised Risk Score at February 2008 = B2

Likelihood	A				
	B			B 2	
	C				
	D			D 2	
	E				
	F				
		4	3	2	1
		Impact			

Action/controls in place at February 2008	Required Management Action at February 2008	Action taken since March 2007
LDS being processed through LDAG/Executive/Scrutiny Annual monitoring report Planning decisions to be taken in accord with the Development Plan.	<p>Review LDS and resources in light of new aspiration</p> <p>Attempt to avoid being steamrolled by interested parties</p> <p>Obtain evidence to support policies</p> <p>Prepare ground for judicial review</p>	<p>The LDS changes each year, with a work programme for the next four years. The complete LDS can be viewed on the Planning Policy Web page or via the following link http://www.digitalmaidstone.co.uk/PDF/070329_LDS%20March%202007.pdf</p> <p>The preferred option of the Core Strategy has been adopted by Council and has been the subject of public consultation. The results of that Consultation are being analysed. One of the representations received proposed a SRFI at J8 of the M20. This impact of this representation required considerable analysis and has a consequent effect on the timetable for the Core Strategy preparation. The Core Strategy when finally approved will set the Council's framework for development.</p> <p>The LDS is being revised and discussed with GOSE, and resources reviewed. Evidence is being collected to support the preferred option of the Core Strategy and that process is ongoing.</p> <p>Legal advice is taken as appropriate, and both GOSE PINS are consulted on process to ensure that the Council's actions follow the legislation and Government advice to minimise the risk of judicial review. As the plan is in draft stage the risks remain and I therefore consider the risk remains at B2.</p>

Strategic Risk (8): Climate Change

'The borough is likely to be affected by global changes to the weather '

Risk Score at March 2007 = C2 Target Risk Score = E2

Revised Risk Score at February 2008 = C2

Likelihood	A				
	B				
	C			C 2	
	D				
	E			E 2	
	F				
		4	3	2	1
		Impact			

Action/controls in place at February 2008	Required Management Action at February 2008	Action taken since March 2007
<ul style="list-style-type: none"> - Climate change action plan - LDF preparation and practice - Procedural arrangements e.g. Environmental services - Emergency plan for flooding 	<p>Promote better understanding/acceptance of problem</p> <p>Keep at heart of all policies/council procedures</p> <p>Enhanced procedures for emergencies-drought etc</p>	<ul style="list-style-type: none"> • Climate Change Plan continues to be implemented and has been nationally recognised as a market leader in the LGC Sustainability Awards. • Staff newsletter circulated. • New Council offices will include a number of key features including biomass heating, sedum roof, and light and water efficient installations. • Enhanced planning guidance included in LDF work. • Environmental Services planting and maintenance regimes continue to take drought impact into account. • Proposals being considered for new Members and Officer Working Groups. • A submission for Beacon Status was not successful although the Council was rated as 'good'. The recommendations of the Assessors have been acted upon. • A climate change partnership with other public agencies and the private sector has been formed and this group will be looking at setting more robust and challenging targets.

Strategic Risk (6): (Lack of) Unitary Status

'The Council may not be able to achieve its previously stated ambition to become part of a unitary authority thereby reducing its ability to directly achieve some of its objectives.'

Risk Score at March 2007 = B2 Target Risk Score = B4

Revised Risk Score at February 2008 = B2

Likelihood	A				
	B	B 4		B 2	
	C				
	D				
	E				
	F				
		4	3	2	1
	Impact				

Action/controls in place at February 2008	Required Management Action at February 2008	Action taken since March 2007
<ul style="list-style-type: none"> Monitoring and understanding Talking to neighbouring councils Partners on different services Neighbourhood agenda Working towards improved two tier working 	<ul style="list-style-type: none"> PriceWaterhouseCoopers work to be completed and reported back to member working group Ongoing need to ensure shared services flourish 	<ul style="list-style-type: none"> PriceWaterhouseCoopers has produced a 'scoping report' setting out the options for unitary status. This has been endorsed by the member working group. Focus groups and other consultation has taken place to engage opinions against the options Use has been made of other Authorities experience in pursuing Unitary status so that there is greater understanding of the issues. Kent Commitment has been advanced with Chief Executives involved in workstreams Some success in ensuring 2 tier working Far more shared service working particularly with Tunbridge Wells Internal Audit partnership with Ashford continues to thrive Further joint/shared working discussions with Sevenoaks and Swale appear to be promising. This further cements our working relationship with neighbouring authorities.

Strategic Risk (39a): Strategic Partnership Working

“Failure to agree acceptable governance structures for strategic partnership working”

Risk Score at March 2007 = A3 Target Risk Score = D3

Revised Risk Score at February 2008 = A3

Likelihood	A			A 2	
	B		B 3		
	C				
	D		D 3		
	E				
	F				
		4	3	2	1
		Impact			

Action/controls in place at February 2008	Required Management Action at February 2008	Action taken since March 2007
	<ul style="list-style-type: none"> To achieve more appropriate governance arrangements with KCC and an appropriate LAA by the summer 	<ul style="list-style-type: none"> The Strategic Leadership Overview and Scrutiny Committee carried out a detailed review of the Council’s Partnerships. An action plan is being developed to implement the findings of the Scrutiny committee. There have been mixed outcomes for partnership working with KCC, the Gateway project is working well; however arrangements for the LAA have been disappointing as KCC appear reluctant to accommodate Maidstone’s local perspectives / needs. Maidstone has, by winning Growth Point status, and associated funding, formed an improved working relationship with Government.

Strategic Risk (39b): Partnership Working – shared services

'Partnership working may be ineffective (This relates to the opportunities for significant partnership working within Kent, both at a strategic and operational level)'

Risk Score at March 2007 = n/a Target Risk Score = D3

Revised Risk Score at February 2008 = C3

Likelihood	A				
	B				
	C		C3		
	D		D3		
	E				
	F				
		4	3	2	1
Impact					

Action/controls in place at February 2008	Required Management Action at February 2008	Action taken since March 2007
<ul style="list-style-type: none"> Business case and risk assessment for each proposal as part of a project management approach Agreements specify terms of partnership Performance management system Financial Control system Subject to approval by CMT and Cabinet 	<ul style="list-style-type: none"> Clear project management of each new partnership proposal Development of clear protocol for dealing with shared service arrangement 	<ul style="list-style-type: none"> Opportunities for partnership working are reviewed on a case-by-case basis. The expectations are set out in a report from the manager seeking approval for the arrangements. Existing shared services arrangement (e.g. Internal Audit, Scrutiny) have become embedded. New shared service arrangements have been created for Procurement, Business Transformation, etc and further opportunities are being pursued. The project management arrangements are agreed as appropriate. One-off small projects may be signed off locally whereas long term arrangements are signed off by Chief Officer Management Team and Cabinet. A project management tool-kit has recently been adopted by the Council and will be used for future partnership projects. The Strategic Leadership Overview and Scrutiny Committee carried out a detailed review of the Council's Partnerships. An action plan is being developed to implement the findings of the Scrutiny committee.

Strategic Risk (20): Political Control

'The political balance of the Council is such that the largest party does not have a majority. Full Council could overturn an Executive decision or recommendation '

Risk Score at March 2007 = D2 Target Risk Score = D4
 Revised Risk Score at February 2008 = D2

Likelihood	A				
	B				
	C				
	D	D 4		D 2	
	E				
	F				
		4	3	2	1
		Impact			

Action/controls in place at February 2008	Required Management Action at February 2008	Action taken since March 2007
<p>Leader will be aware of the political position – that she does not have overall control of the Council. Decision making is made in the context that her Groups decision making is tempered by this lack of majority.</p> <p>Officers are aware of the issue on political control on the authority</p>	<ul style="list-style-type: none"> Leader will understand her political position clearly in respect of her majority. Officers seeking decisions need to take into account that ongoing political situation and the potential shift in balancing position 	<ul style="list-style-type: none"> The Leader has taken full account of the political position when formulating the administration's programme of policies. Officers have worked hard to ensure a smooth transition for the new Cabinet and to ensure that the Cabinet's position as a minority administration is appreciated. The formulation of the budget for 2008/09 is a good example of the above.

Strategic Risk (2): Workforce planning/Talent management

'The Council needs to have the right people in place with the right skills, to maintain and build on its excellent status for the future.'

Risk Score at March 2007 = C2 Target Risk Score = D3

Revised Risk Score at February 2008 = D2

Likelihood	A			
	B			B 2
	C			
	D		D 3	D 2
	E			
	F			
		4	3	2
				1
		Impact		

Action/controls in place at February 2008	Required Management Action at February 2008	Action taken since March 2007
<ul style="list-style-type: none"> • Succession plan policy • Career grades • Management training modules • Efficiency scheme-encourage staff to innovate • Appraisal/performance management • Market supplements • Recruitment Incentives • Exit questionnaires • Appraisal process • Improved appraisal processes linked to competencies. 	<ul style="list-style-type: none"> • Workforce planning • Development of a people strategy • Talent pool-management academy training and special projects i.e. satisfaction survey • Performance related pay and competencies have to be introduced in 2007 ready for September /October next year. • Improved methods of involvement with staff. • Development of Total Reward Package. • Improved selection and recruitment linked to competency profiles. 	<ul style="list-style-type: none"> • People Strategy approved Dec 2006 • Market Supplements utilised to retain skill shortage areas & recruit in hard to fill roles • Recruitment team strengthened to enable 'value added' support • Voluntary resignation fallen from 9% to 7% since introduction of new pay system • Employee Handbook published to ensure basic organisational knowledge in place from induction onwards • Competency project has begun to focus on requirements for all roles • BCP exercise – Winter Willow has helped to highlight the need for clear procedure notes and cross-skilling

Strategic Risk (40): Waste Collection – Review of waste collection

‘Alternative arrangements may not be sustainable in the long term’

Current Risk Score = B2 Target Risk Score = C3

Likelihood	A			
	B		B2	
	C		C3	
	D			
	E			
	F			
		4	3	2
	Impact			

Action/controls in place at February 2008	Required Management Action at February 2008	Action taken since March 2007
<p>Active participants in Kent wide waste forum (strategy, officer and Member level)</p> <p>Signed up to Kent Joint Waste Strategy and associated annual action plans</p> <p>Partners is jointly commissioned waste composition and modelling projects</p>	<p>Analysis and response to waste modelling options due for publication in March 08</p> <p>Review of MBC waste collection arrangements arising from preferred waste disposal/collection methodology</p>	<p>Proactive involvement in the emerging Kent wide waste partnership arrangements.</p>