



Appendix 3

First Quarter Risk Update

2022/23

12 October 2022
Corporate Services PAC
Report Author: Alison Blake

Introduction

Risk management involves managing the ***effect of uncertainties on the achievement of our objectives*** and is a key principle of corporate governance. The importance of risk management is recognised in our Local Code of Governance, the Annual Governance Statement and through the Risk Management Framework.

Having arrangements in place to identify and manage our risks increases our chances of achieving corporate and operational objectives by controlling risks in balance with resources. Good risk management also increases our ability to cope with developing and uncertain events and helps to instil a culture of continuous improvement and optimisation.

The Risk Management Framework sets out how the Council identifies, manages and monitors risks. This includes the risk appetite statement, which articulates how much risk the Council is comfortable with and able to bear. In summary, the risk management process for the Council can be broken down into the following key components. Appendix 3B gives a one-page summary of the risk management process.



A key part of the risk management process is to report risk information to understand how the risks to the Council are changing. The purpose of the report is to provide Members with the Council's corporate risks and how they have changed since the last report to this Committee in June. The role of this committee is to provide oversight and challenge over the management of the Council's most significant risks.

The report also describes the risks 'on the horizon' providing an indication of potential future risks which may materialise into risks the Council can manage as they become clearer.

Progress is being made in updating all operational risks alongside the introduction of the JCAD risk management software. 52% of services have now been trained in how to use JCAD and 21% of operational risks have been updated. The remainder of the training and operational risk updates is scheduled to be completed by the end of September. Appendix 3C outlines the services completed up to the 6th September. Once operational risks have been updated the themes and significant risks will be reported to Corporate Services Committee.

Corporate Risks

The Council's corporate risks are reported quarterly to the Corporate Services Policy Advisory Committee to ensure effective oversight and monitoring. The risks are reviewed and updated by risk owners including progress against any related risk actions. Existing and planned controls have been updated and the risk ratings reviewed and updated where necessary.

The table below summarises the **15** risks on the corporate risk register. Further detail on the corporate risks, including a description of the risk and details of existing and planned key controls are outlined below the table.

No	Corporate risk	June 2022 Current Risk	September 2022		Corporate Priority			
			Current Risk	Mitigated Risk				
1	Financial uncertainty	25	25	16	✓	✓	✓	✓
2	Contraction in retail sector	25	25	20	✓			✓
3	Election failure / challenge	NEW	25	20	✓	✓	✓	✓
4	Construction costs / contractor insolvency	20	20	16	✓		✓	✓
5	Environmental damage	16	16	16		✓	✓	✓
6	Housing pressures increasing	16	16	12	✓		✓	
7	Major unforeseen emergency	15	15	12	✓	✓	✓	✓
8	IT network failure	12	12	9	✓	✓	✓	✓
9	Not fulfilling residential property responsibilities	12	12	9	✓		✓	
10	Major contractor failure	12	12	12	✓	✓	✓	✓
11	Ability to access / leverage new funding	9	12	9	✓	✓	✓	✓
12	Loss of workforce cohesion and talent	12	12	9	✓	✓	✓	✓
13	Governance changes	12	9	6	✓	✓	✓	✓
14	Reduced effectiveness of relationships with strategic partners	9	9	9	✓	✓	✓	✓
15	Resilience of the voluntary & community sector	9	9	6		✓	✓	

Our Priorities



Summary of Changes

The risk of *failure or challenge of the May 2023* elections has been identified as a result of the Elections Act 2022 introducing voter ID. While the Council has mitigations in place to manage this risk there is a high dependency on external parties outside of the Council's control.

The *Financial uncertainty* risk description had been updated to include increasing contractor costs reflecting an additional pressure on the Council's finances. Increasing contractor costs is also now reflected in the *major contractor failure* risk.

Environmental damage risk description updated to remove reference to air pollution and instead reference flooding, severe storms, heatwaves and drought. The risk description also references the implication of the Council in supporting those affected by climate change events.

Housing pressures increasing risk description amended to reflect the cost-of-living crisis as a cause of this risk.

The *Ability to access new funding* risk has increased due to Public Works Loan Board (PWLB) funding potentially becoming more restricted in the future. The risk description has been updated to reflect this.

The *Governance Changes* risk has decreased as the new executive model becomes more embedded.

Risk (title & full description)	Risk Owner	Key Existing Controls	Current rating (I x L)	Controls planned	Mitigated rating (I x L)
<p>General financial uncertainty. Unexpected changes to government funding, failure to achieve income or savings targets, and increases in inflation and contractor costs places further financial restrictions on the Council resulting in difficulty maintaining standards or meeting aims. <i>UPDATED</i></p>	Mark Green	<ul style="list-style-type: none"> • Agreed work programmes in transformation and commissioning • Budget monitoring in place • MTFS in place and monitored • Scenario planning in budget setting • Strategies for maintaining income (e.g. pricing policies and proactive management of property portfolio) • Holding reserves to mitigate impact of financial restrictions • Robust risk assessment of new business opportunities 	(5 x 5) 25	<ul style="list-style-type: none"> • Currently updating MTFS to reflect impact of inflation • Lobbying to avoid unfavourable financial changes to government funding • Cost recovery through bidding for additional government support for one-off costs and strategic investments • Identifying measures to address future budget gaps • Maximise Council Tax to referendum limit 	(4 x 4) 16
<p>General and localised economic pressure leads to contraction in retail sector, limiting the appeal of Maidstone town centre threatening social cohesion and business rates income.</p>	William Cornall	<ul style="list-style-type: none"> • Working with Key stakeholders including One Maidstone to safely reopen the High Street. • Regular network meetings with town centre retailers • Public realm improvement work • Supporting One Maidstone Business Improvement District • Acquisition of key property (Royal Mail former sorting office planning application to be submitted Q4 / Grenada House refurbishment works expected to commence Q4) • Work commissioned to promote Maidstone as business destination • Planning Guidelines documents have now been approved by SPI for the Five town Centre Opportunity sites. Planning permissions have now been granted on two of these and pre-application advice given in respect of land parcels on Maidstone Riverside. • Active management of Lockmeadow to enhance the local economy • Support delivered to the sector through Business Rates grants and assistance grants • Town Centre Opportunity guidance published and actively being used 		(5 x 5) 25	<ul style="list-style-type: none"> • Taking advantage of opportunities to support infrastructure investment • A targeted programme of place promotion campaign activities • Development of a Town Centre strategy to guide the reallocation of land uses within the Town Centre (including retail) • A programme of town centre events and activities is now in place funded through covid response monies. UKSPF Local Government Plan intends to continue and expand this (subject to release of funding) • The Council has made the decision to put in place a new Article 4 Direction for the core shopping area of Maidstone town centre to retain greater control over planning in that location. • Covid related Business Support grants will continue to be focussed upon this sector in part. • The Council has now received a circa £1.2m Shared Prosperity Fund allocation for the next three years, and officers are in the process of preparing a draft investment plan for the monies for consideration by Members. • The Leader has agreed the LIP and it has been submitted; we are awaiting the outcome; we need to add reference to our successful bid to the safer Streets Fund which has secured £565k investment for community safety in the town centre

Risk (title & full description)	Risk Owner	Key Existing Controls	Current rating (I x L)	Controls planned	Mitigated rating (I x L)
Elections Act 2022 introduction of Voter ID for May 2023 elections results in the election failing or being challenged. Leading to reduced electoral integrity, reputational damage, and potential impact on political leadership and decision-making capability for 2023/24. <i>NEW</i>	Alison Broom / Angela Woodhouse	All usual election risk mitigations are in place including project planning, contingency planning and risk assessments. In addition DES Manager on DLUHC BCN group working on Elections Act 2022 implementation and liaising with AEA.	(5 x 5) 25	Increased election staffing for 2023, All Council staff to be on standby to support elections, utilise internal comms, early contact of election staff, targeted training, prioritising of elections over corporate functions within Corporate and Electoral Support, contingency planning for post-election challenge impacts. However, risk mitigation is limited due to dependency on external factors (i.e. DLUHC delivering)	(4 x 5) 20
Inflation continues to rise and a significant economic event (e.g. further pandemic impacts, BREXIT, supply chain issues) causes significant changes in construction costs which may also result in a contractor insolvency, as they are generally locked into delivering schemes at a fixed price, and so need to manage their exposure to rising costs in their supply chain. For the Council, this leads to a narrowing gap between build price and end of property values, increased costs to the Council and a possible time lag in delivery of 1000 affordable new homes, owing to a lack of capacity in the construction sector.	William Cornall	<ul style="list-style-type: none"> • Use of "off-site" and other Modern Methods of Construction where possible to ensure schemes are delivered efficiently • Designing buildable efficient schemes • Financial stability and overall exposure checks for contractor • Performance bonds and quality monitoring • Realistically set financial scheme approval hurdle rates 		(4 x 5) 20	

Risk (title & full description)	Risk Owner	Key Existing Controls	Current rating (I x L)	Controls planned	Mitigated rating (I x L)
<p>Increased impacts from climate change (including flooding, severe storms, heatwaves and drought) causes environmental damage reducing residents' quality of life and increasing adaptation support required from the Council. <i>UPDATED</i></p>	<p>Angela Woodhouse</p>	<ul style="list-style-type: none"> • Comprehensive Biodiversity and Climate Change Strategy and action plan has been developed and is being implemented across council • Air Quality Action Plan in place • Emergency planning arrangements • Parks and open spaces strategy to reduce risk of damage from trees and nature based mitigation of climate impacts • Budget available to deliver actions and additional funding allocated • Communication / engagement activities to increase resilience and awareness of residents and businesses for adverse weather events • Use of Severe Weather Impacts Monitoring System (SWIMS) to understand impacts of severe weather in borough • Member of the Kent Climate Change Network • Permanent Biodiversity and Climate Change Manager in post • Permanent Biodiversity and Climate Change engagement officer in post to support public and business adaptation to climate change • Part of Medway Flood Partnership and Kent Resilience Forum • Strong governance arrangements in place with operational board chaired by Director of Strategy Insight and Governance, Fortnightly oversight meetings with the Leader and quarterly reports to Corporate Leadership Team, Policy Advisory Committee and the Executive 	<p>(4 x 4) 16</p>	<ul style="list-style-type: none"> • Continue Implementation of the B&CC strategy and action plan to engage with public and businesses to adapt to and mitigate impacts of climate change • Review of our own estate in line with ambition to be carbon neutral by 2030, and work with partners to reduce carbon, reduce surface run off and increase natural solutions to mitigate impacts of climate change and pollution • Partner with KCC, other Kent districts and private landowners on widescale tree planting and nature recovery to mitigate impacts of climate change • Newly appointed Emergency Planning Officer will be trained on SWIMS and take on the task of uploading impacts on SWIMS more regularly and with closer ties to KCC. • Establishing with MBC B&CC action owners the best way to measure progress through KPIs • Work with Medway Flood Partnership to identify and develop actions, including natural flood management (nature-based solutions and sustainable urban drainage), which can help to reduce flooding. • Ensure Local Plan review considers level of current and future projected flood/drought risk and that new developments are planned accordingly. • Work with the Kent Resilience Forum, spatial planners and other partners to enhance adaptation and emergency planning contingencies for severe weather and other climate impacts. 'Strengthening' of power and water supply and other critical infrastructure should be a priority alongside ensuring more resilient settlements 	<p>(4 x 4) 16</p>

Risk (title & full description)	Risk Owner	Key Existing Controls	Current rating (I x L)	Controls planned	Mitigated rating (I x L)
<p>The broader housing and cost-of-living crisis leads to housing pressures increasing on the Council, affecting both costs associated with homelessness and ability to meet wider housing needs in the borough.</p> <p style="color: green; text-align: center;">UPDATED</p>	William Cornall	<ul style="list-style-type: none"> • Homelessness prevention team in place with increased resource • Access to our own housing stock to use for temporary accommodation & market rented housing (within Maidstone Property Holdings) • Closer working with private sector & housing associations • Key policies are in place: Temporary Accommodation Strategy • Implementation of Housing Management Team • Council approval in place for MBC to develop up to 1000 affordable homes of its own • We work closely with the voluntary sector and community partners • Home Finders scheme in place and supported through Government funding • Affordable Housing supplementary guidance adopted in Summer 2020 • The Council acquired Trinity Place community asset has been refurbished and opened to enable a range of housing and related services to be provided. 	(4 x 4) 16	<ul style="list-style-type: none"> • Continued progress towards the temporary accommodation acquisition programme funded through the MBC capital programme • Leader of Council ambition to build 1000 new Council homes as soon as possible and plans to meet this aspiration have been approved and the programme is underway with the second major new land acquisition. • New draft Housing Strategy has been considered by the CHE committee and is now out for public consultation with a view to it being adopted in Q4 • The Council continues to work with Homes England to promote the 5,000 home Heathlands garden community through the Local Plan Review, with a view to the project delivering new homes from the late 2020's. • Review of the Home Finder Scheme offer to landlords to increase the supply of stock at our disposal. 	(3 x 4) 12
<p>Major unforeseen emergency with national / international impact (e.g. new pandemic, environmental disaster)</p>	Alison Broom	<ul style="list-style-type: none"> • Strong existing emergency planning framework • Active engagement with Local Resilience Forum • Flexible, committed and appropriately trained workforce • Quarterly oversight & monitoring through the Emergency Planning Group (EPG) • Some financial reserves • Good partnership working as demonstrated during Covid-19 pandemic • Continued update to Business Continuity Plans and arrangements • Ongoing considerations of financial reserves which have been increased 	(5 x 3) 15	<ul style="list-style-type: none"> • Plan for dealing with different types of major emergencies, including water supply interruptions • Review and update of the Council's IT Disaster Recovery arrangements and Business Continuity Plans • Embedding arrangements over the quarterly review of emergency threats and risks through the EPG including horizon scanning and early warnings • Recovery and renewal funding allocated to strengthen work on community resilience 	(4 x 3) 12

Risk (title & full description)	Risk Owner	Key Existing Controls	Current rating (I x L)	Controls planned	Mitigated rating (I x L)
Security breach or system weakness leading to IT network failure results in wide-spread system unavailability, increased legal and financial liability and reputational damage.	Georgia Hawkes	<ul style="list-style-type: none"> • Regular backup programmes • External testing of IT security by specialists –resulting findings and actions are implemented and tested • ICT policies & staff training, including disaster recovery plan • Mandatory cyber security training was rolled out and completed • CLT monitoring of performance indicators, including ICT incidents • Nessus scanning software reporting daily on system vulnerabilities • New firewall tested and installed • Ongoing programme of awareness raising through Cyber events, training, and tests • Ongoing programme of IT campaigns including phishing • IT Business Continuity Plan which prioritises the systems that need to be bought back online. • Bulk messaging system to ensure adequate communication lines available. Gov.notify used and an awareness campaign run to encourage staff to sign up. 	(4 x 3) 12	<ul style="list-style-type: none"> • Cyber Security Incident BC Exercise to be undertaken in November 2022 • Business Impact Assessments are being reviewed and updated and will be used to update all BC Plans 	(3 x 3) 9
Insufficient awareness / expertise leads to not fulfilling residential property responsibilities resulting in possible health & safety breaches.	William Cornall	<ul style="list-style-type: none"> • Faithfull Farrell & Timms have been retained as a critical friend to allow the new housing management function to up skill. • West Kent Housing Association (WKHA) engaged to provide an asset management service for the whole MBC residential portfolio. • The whole MBC residential portfolio is now being managed by a single team within Housing & Communities, where previously it was split between Housing & Property. • H&S KPIs are now recorded and reported through a permanent software solution. • The H&S KPIs are reported monthly to Corporate Leadership Team. • Good level of awareness from officers around H&S obligations and compliance • Excellent levels of compliance being reported to the CLT monthly. 	(4 x 3) 12	<ul style="list-style-type: none"> • Eventual goal of real time reporting in terms of gas safety • Review of existing resources and skills underway to support the housing portfolio and management of properties. • Policy & Resources Committee has approved a sizable re-investment in the Council owned Gypsy & Traveller site portfolio and works nearing completion • Implementation of new specialist housing management software to support the growing portfolio. • The current provider of asset management services to the MBC and MPH residential portfolios, West Kent Housing Association, has served notice to end the contract in Jan 2023, so officers are starting the procurement process for an alternative supplier/s. 	(3 x 3) 9

Risk (title & full description)	Risk Owner	Key Existing Controls	Current rating (I x L)	Controls planned	Mitigated rating (I x L)
<p>Failure of a major contractor: As a result of market pressures one of the Council's contractors goes into liquidation / administration or seeks to negotiate an increase in the cost of the contract. Leading to disruption and increased costs. <i>UPDATED</i></p>	Mark Green	<ul style="list-style-type: none"> Regular contract monitoring and communication with contractors Procurement expertise made available through the Partnership with Tunbridge Wells Financial performance and sustainability embedded into the procurement process Contractor business continuity plans in place and alternative contractors may be available 'Exit plan' included as a requirement in the ITT document for all relevant contracts 	(4 x 3) 12	<ul style="list-style-type: none"> Ongoing financial performance and resilience checks of our suppliers and contractors Risk register work being completed for each of the Council's strategic contracts Increased consideration of in-house provision or alternative commissioning routes 	(4 x 3) 12
<p>Difficulties in recruiting and retaining the right skills and adapting to hybrid working leads to a loss of workforce cohesion and talent. This results in a loss of productivity.</p>	Georgia Hawkes	<ul style="list-style-type: none"> Workforce strategy monitoring & reporting Training & development programme (including hybrid working skills) Occupational health, employee support and HSE Stress Survey Recruitment process that includes ability to adjust pay and market supplement for hard to recruit jobs Rewards package reviewed regularly Commissioning specialist external support as required Online onboarding of new staff Use of ClearReview to encourage continuous conversations and clear objectives Hybrid Policy and service review of hybrid working arrangements Market Supplement Policy reviewed and updated 	(3 x 4) 12	<ul style="list-style-type: none"> Review of paygrades underway Use of SmartPath to offer additional support to managers Appoint specialist consultant to advise on culture change Engagement survey for all staff the output from which will create an action plan for the Council Review potential for different approaches to recruitment Consider the use of personalised development plans, and offer this during recruitment 	(3 x 3) 9
<p>Uncertainties relating to the Council's ability to access new funding and availability of PWLB loans. Increases difficulty securing and leveraging funding to help stabilise and support the delivery of our capital programme. <i>UPDATED</i></p>	Mark Green	<ul style="list-style-type: none"> Access to professional networks to identify opportunities for funding Experienced officer capacity Good relationships with funding partners, e.g. Homes England Obtaining forward borrowing 	(3 x 4) 12	<ul style="list-style-type: none"> Investment of one-off resources for putting together funding bids 	(3 x 3) 9

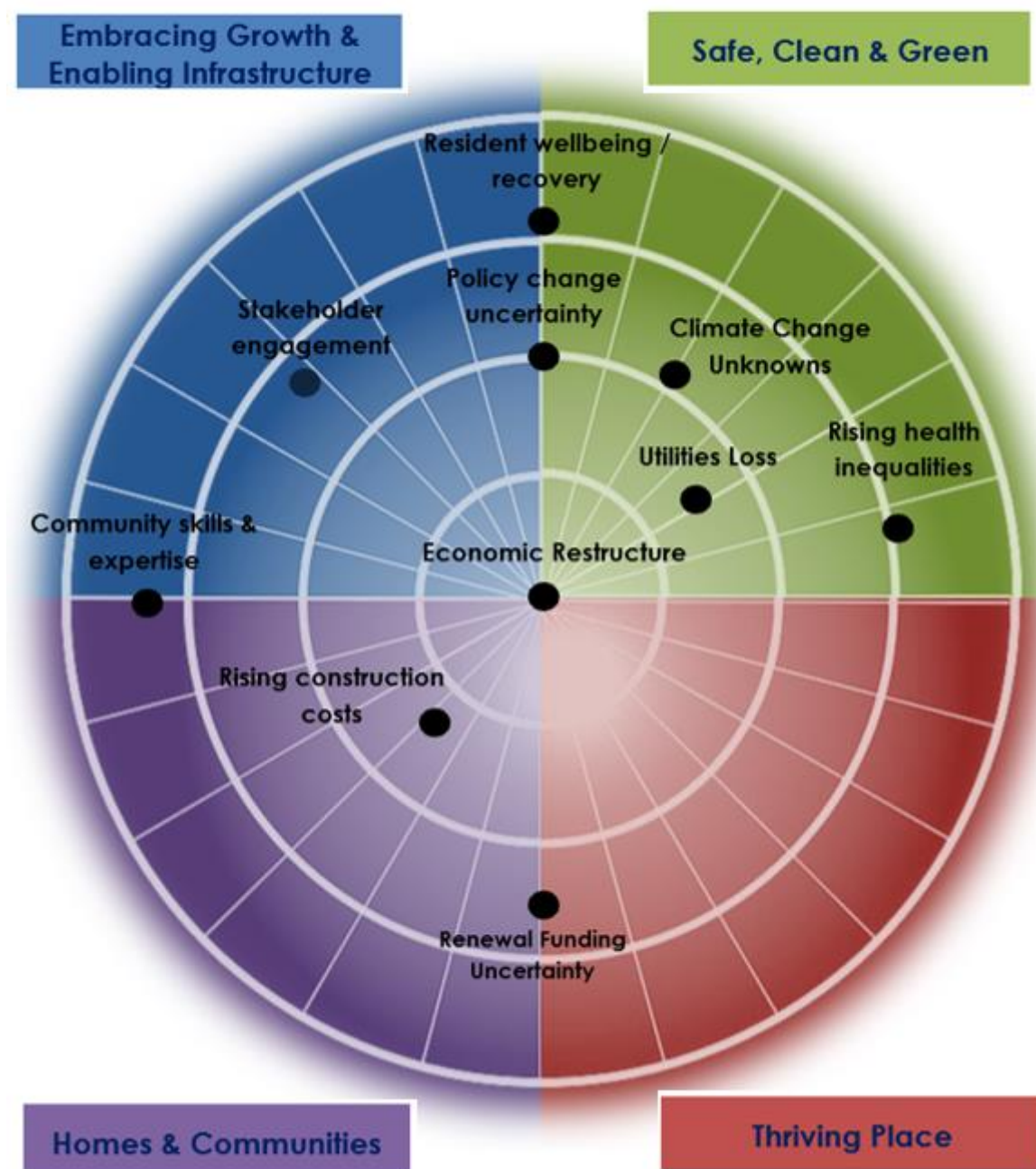
Risk (title & full description)	Risk Owner	Key Existing Controls	Current rating (I x L)	Controls planned	Mitigated rating (I x L)
<p>As a result of significant changes to the Councils' governance (including moving to executive model and the boundary review) sound governance processes may not be maintained during the change or poor processes may be introduced. Leading to delays in decision making, reputational damage or legal implications.</p>	<p>Angela Woodhouse</p>	<ul style="list-style-type: none"> Monitoring Officer in place to oversee Council activities and provide advice Code of Conduct Timeline agreed for the Local Government Boundary Commission review and work overseen by the Director of Finance and Business Improvement Software to facilitate consultation on ward boundaries Templates and system for agendas and decision publication updated New constitution agreed and in place Training carried out with Officers and Members on the new governance arrangements 	<p>(3 x 3) 9</p>	<ul style="list-style-type: none"> Recruit two additional officers into Democratic Services to support the new model Review of the constitution by Democracy and General Purposes Committee, December 2022 Log of issues kept by Democratic Services – contributed to by the Monitoring Officer, Democratic Services and Director of Strategy, Insight and Governance 	<p>(3 x 2) 6</p>
<p>Reduced effectiveness of relationships with strategic partners Financial constraints and requirements from Government or regulators change the priorities or commitments of our strategic partners or their capacity to work with us. This causes a dislocation with our work and increases Member pressure to highlight concerns.</p>	<p>Alison Broom</p>	<ul style="list-style-type: none"> Collaboration with Kent County Council via a variety of project teams including Town Centre Strategy The Community Safety Partnership with the Police and other key parties The West Kent Health and Care Partnership Board which includes Executive Board (officers) and Elected Members Forum with Participation in Kent One Public Estate Board Maidstone Health and Well-being Partnership Group Maidstone Inclusion Board Survey of all voluntary and community sector to understand changes in community need and demand for services Good integration with County-wide networks Anchor Institutions engaged in various projects including UK Shared Prosperity Fund Local Investment Plan Whole System event to review partnership working effectiveness – July 2022 	<p>(3 x 3) 9</p>	<ul style="list-style-type: none"> Strengthen processes for continued horizon scanning with partners to understand changes in priorities and formulate an overview of all key partners Regular programme of Anchor Institutions stakeholder meetings planned from October 2022 Review of outputs from Whole System Event and significant actions to strengthen partnership working on key priorities 	<p>(3 x 3) 9</p>

Risk (title & full description)	Risk Owner	Key Existing Controls	Current rating (I x L)	Controls planned	Mitigated rating (I x L)
<p>Resilience of the voluntary & community sector The pressures facing the voluntary and community sectors are unprecedented and increasing, threatening the resilience and stability of these support networks. This could result in increased financial pressures for residents of the Borough with knock-on effects for the Council.</p>	Alison Broom	<ul style="list-style-type: none"> • Commitments obtained to establish an architecture to support the voluntary and community sector and provide funding. • Project to increase engagement in volunteering underway • Networking session organised to advise VCS on increasing funding • Investment has been made in Trinity Foyer and it has opened as a Community Hub • Love Where You Live & Get Involved project has been launched and continues to be delivered • Financial Inclusive Strategy has been agreed • The Community resilience fund first round of funding has been distributed across a range of VCS groups across the borough • Agreed part funding with the Citizens Advice Bureau for a Debt Management post • Community Sector newsletter established • VCS repository is live and under review to ensure it is kept up to date 	(3 x 3) 9	<ul style="list-style-type: none"> • Launch second round of community resilience fund bids • Undertake further engagement with VCS to establish change in needs • Establish a community sector forum • Review Financial Inclusion Strategy in light of cost-of-living crisis 	(3 x 2) 6

External Threats (horizon scanning)

Our horizon scanning process identifies external threats over which we have no direct control or ability to manage the impact on delivery of our priorities. Our response to these threats will be an important factor in how we develop our strategies, policies and how we translate that into service delivery. As such, we can draw down any of these threats into our corporate risk register if (or when) the time is right.

For the time being, we will keep our eye on these threats and continue to provide updates as part of the quarterly monitoring report. The diagram summarises the external threats aligned to each of our priorities with those closest to the centre being those likely to happen soonest.



The following points provide some more detail on the threats outlined in the diagram above:

- **Economic Restructure** – uncertainty around employment rates, interest rates and inflation increases, and the affect this will have on the local economy, residents financial position and our operational and contractual costs and wage bill.
- **Climate change unknowns** – some of the implications of climate change are already captured within the corporate risk register. But this reflects the possibility of other as yet unknown implications from climate change.
- **Policy change uncertainty** – potential for changes in legislation and other central government policy changes.
- **Funding uncertainty** – ability of Maidstone BC to get funding which matches its aspirations and delivery goals.
- **Stakeholder engagement** – heightened sensitivity to Council plans leading to increased intolerance and complaints.
- **Resident Wellbeing and recovery** – potential for residents in the borough to not have long term improvements to their wellbeing
- **Rising health inequalities** – increasing inequality in access to health care provisions.
- **Rising construction costs** – unanticipated consequences from rising costs in the construction industry.
- **Community skills and expertise** – decline in diversity of skills and expertise within communities.
- **Utilities Loss** – loss of water, electricity or telecoms over a wide area in the Borough.

Appendix 3A Impact and Likelihood Definitions

Risks are assessed for impact and likelihood. So that we achieve a consistent level of understanding when assessing risks, the following definitions were agreed and have been used to inform the assessment of risks on the risk register.

RISK IMPACT

Level	Service	Reputation	H&S	Legal	Financial	Environment
Catastrophic (5)	Ongoing failure to provide an adequate service	Perceived as a failing authority requiring intervention	Responsible for death	Litigation almost certain and difficult to defend Breaches of law punishable by imprisonment	Uncontrollable financial loss or overspend over £500k	Permanent, major environmental or public health damage
Major (4)	Failure to deliver Council priorities Poor Service, 5+ days disruption	Significant adverse national publicity	Fails to prevent death, causes extensive permanent injuries or long term sick	Litigation expected and uncertain if defensible Breaches of law punishable by significant fines	Financial loss or overspend greater than £250k	Long term major public health or environmental incident (1+ yrs)
Moderate (3)	Unsatisfactory performance Service disrupted 3-5 days	Adverse national publicity of significant adverse local publicity	Fails to prevent extensive permanent injuries or long term sick	Litigation expected but defensible Breaches of law punishable by fines	Financial loss or overspend greater than £50k	Medium term major public health or environmental incident (up to 1 yr)
Minor (2)	Marginal reduction in performance Service disrupted 1-2 days	Minor adverse local publicity	Medical treatment required Long term injuries or sickness	Complaint or litigation possible Breaches of regulations or standards	Financial loss or overspend greater than £10k	Short term public health or environmental incident (weeks)
Minimal (1)	No performance reduction Service disruption up to 1 day	Unlikely to cause adverse publicity	First aid level injuries	Unlikely to cause complaint Breaches of local procedures	Financial loss or overspend under £10k	Environmental incident with no lasting detrimental effect

RISK LIKELIHOOD

Level	Probability	Description
Almost Certain (5)	90% +	Without action is likely to occur; frequent similar occurrences in local government / Council history
Probable (4)	60% - 90%	Strong possibility; similar occurrences known often in local government / Council history
Possible (3)	40% - 60%	Might occur; similar occurrences experienced in local government / Council history
Unlikely (2)	10% - 40%	Not expected; rare but no unheard of occurrence in local government / Council history
Rare (1)	0% - 10%	Very unlikely to occur; no recent similar instances in local government / Council history

One Page Process Summary

Step 1 – Identify Risks	Step 2 – Evaluate Risks	Step 3 – Risk Response	Step 4 – Monitor & Review																																													
<p>Best done in groups, by those responsible for delivery objectives.</p> <p>RISK is a <i>potential future</i> event that, if it materialises, has an <i>effect</i> on the achievement of our objectives.</p> <p>Consider both threats and opportunities.</p> <p>When to consider:</p> <ul style="list-style-type: none"> • Setting business aims and objectives • Service planning • Target setting • Partnerships & projects • Options appraisal <p>Establish the risk owner.</p> <p>Document in the risk register.</p>	<p>Combination of the impact and likelihood of an event (the CURRENT RISK).</p> <p>Impact score is the highest from the different categories.</p> <p>Establish your key existing controls and whether they are managing the impact and/or likelihood of the risk.</p> <p>Scores can be depicted in the risk matrix:</p> <table border="1" data-bbox="658 871 1124 1219"> <tr> <td rowspan="5">Likelihood</td> <td>5</td> <td>Yellow</td> <td>Yellow</td> <td>Red</td> <td>Black</td> <td>Black</td> </tr> <tr> <td>4</td> <td>Green</td> <td>Yellow</td> <td>Red</td> <td>Red</td> <td>Black</td> </tr> <tr> <td>3</td> <td>Green</td> <td>Yellow</td> <td>Yellow</td> <td>Red</td> <td>Red</td> </tr> <tr> <td>2</td> <td>Blue</td> <td>Green</td> <td>Yellow</td> <td>Yellow</td> <td>Yellow</td> </tr> <tr> <td>1</td> <td>Blue</td> <td>Blue</td> <td>Green</td> <td>Green</td> <td>Yellow</td> </tr> <tr> <td></td> <td></td> <td>1</td> <td>2</td> <td>3</td> <td>4</td> <td>5</td> </tr> <tr> <td></td> <td></td> <td colspan="5">Impact</td> </tr> </table>	Likelihood	5	Yellow	Yellow	Red	Black	Black	4	Green	Yellow	Red	Red	Black	3	Green	Yellow	Yellow	Red	Red	2	Blue	Green	Yellow	Yellow	Yellow	1	Blue	Blue	Green	Green	Yellow			1	2	3	4	5			Impact					<p>Black – Above our tolerance, immediate action and reporting to directors.</p> <p>Red – Outer limit of our appetite, immediate action.</p> <p>Amber – Medium risk, review existing controls.</p> <p>Green – Low risk, limited action, include in plans.</p> <p>Blue – Minimal risk, no action but annual review.</p> <p>Risk Response – 4Ts</p> <ul style="list-style-type: none"> • Treat (i.e. apply controls) • Tolerate (i.e. accept risk) • Transfer (e.g. insurance / partnership) • Terminate (i.e. stop activity) <p>After your response; where does the risk score now? (the MITIGATED RISK)</p>	<p>Completed risk registers returned to Mid Kent Audit.</p> <ul style="list-style-type: none"> • Corporate Leadership Team monthly monitoring of black risks. Quarterly reporting of all high level (black and red) risks. • 6-monthly reporting to Wider Leadership Team. • Risk registers sent quarterly to directors and heads of service. • 6-monthly monitoring at Policy & Resources Committee. • Annual monitoring of process by Audit, Governance & Standards Committee. <p>Mid Kent Audit facilitate the review and update of risk actions (as per your risk register) during the year for and high-level (red / black) risks.</p>
Likelihood	5		Yellow	Yellow	Red	Black	Black																																									
	4		Green	Yellow	Red	Red	Black																																									
	3		Green	Yellow	Yellow	Red	Red																																									
	2		Blue	Green	Yellow	Yellow	Yellow																																									
	1	Blue	Blue	Green	Green	Yellow																																										
		1	2	3	4	5																																										
		Impact																																														

JCAD Roll Out

Director	Head of Service / Manager	Service	Status
Strategy, Insight & Governance	Julie Maddocks	Communications	
		Visitor Economy	Trained
	Louise Goodsell	Customer Services	
	Ryan O'Connell	Democratic & Electoral Services	
	Anna Collier	Insight, Communities & Governance	
Mid Kent Services	Bal Sandher	MKS HR	Trained
	Caroline Pieri	Mid Kent Planning Support	Trained
	Chris Woodward	MKS ICT	Trained
	Claudette Valmond	MKS Legal Services	Trained
	Zoe Kent	Mid Kent Revs & Bens	Trained
	<i>Head of Audit</i>	Mid Kent Audit	Trained
Finance, Resources & Business Improvement	Adrian Lovegrove	Finance	Trained
	<i>Head of Property & Leisure</i>	Leisure Services	Trained
		Property & Facilities	Trained
	Uche Olufemi	Emergency Planning	Trained
	Victoria Barlow	Museum	Trained
Gary Hunter	Transformation & Digital Services		
Regeneration & Place	<i>Head of Capital Projects</i>	Capital Projects	
	<i>Head of Spatial Planning & Economic Development</i>	Economic Development	
		Strategic Planning	
	Jen Stevens	Crematorium	
		Environment & Public Realm	Trained
		Parking Services Partnership	Trained
		Parks & Open Spaces	
	John Littlemore	Community & Strategic Partnerships	
		Housing	
	Rob Jarman	Development Management	
Robert Wiseman	Building Control		
Tracey Beattie	Mid Kent Environmental Health	Trained	

Key

	Operational risks have been updated
Trained	Has completed training on how to use JCAD