

SURREY HEATH BOROUGH COUNCIL



CORPORATE RISK REGISTER – January 2022

This register summarises the main risks faced by the Council in relation to achieving the objectives and priorities as defined in the Council’s Corporate Plan. It also notes the current mitigation action being taken to control those risks, and identifies any further action needed to implement other necessary mitigation action. The register does not identify all risks, but seeks to highlight the relevant main strategic risks.¹

¹ COVID-19 impacts on the majority of the risks on Surrey Heath Borough Council’s risk register. The Corporate Risk group has estimated these impacts in the updated risk ratings. However, please note that given COVID-19 is an emerging infectious disease, these risk ratings are only an estimate and cannot reflect a number of unknown variables, including when a vaccine will be completely rolled out and national decision-making.

Nevertheless, a number of mitigative measures are being undertaken by Surrey Heath Borough Council to minimise the risks of COVID-19, including further wave planning and updating service level business continuity plans.

Introduction

The following summary matrix shows at high level overview the key risks faced by the Council. All identified risks have mitigating actions that are regularly reviewed to try and reduce the risk and bring them to an acceptable risk.

Summary Matrix – key strategic risks after mitigation

Likelihood				
4 Very Likely (>80%)		Business continuity		
3 Likely (50% - 80%)		Major incident	Loss of funding	Treasury & property income
2 Possible (10% - 50%)			Information management Contaminated land Failure of major contractor Vulnerable people	
1 Unlikely (<10%)				
Impact	1 Low (< £10k)	2 Moderate (£10k to £200k)	3 Major (£200k to £1m)	4 Severe (>£1m)

	RISK	Likelihood	Impact	Initial Rating	Mitigation	Owner	Revised Likelihood	Revised Impact	Revised Rating
1	Information Management, Data Sharing and Data Security Loss or misuse of data leading to a breach of legislation and fines.	3	4	12	Data Protection and Security Toolkit Accreditation; paper and electronic data management systems; document and record retention schedules; system to respond to data access requests; email archiving system; training for all staff on data security. Data and Security breaches policy and procedure approved by Council. Data sharing protocol in place. Appointment of Data Protection Officer	GR	2	3	6
2	Loss of funding for services Loss of funding from Government, County and partners leads to the Council being unable to provide services	3	4	12	The Council has embarked on a property management strategy to generate income from other sources. Support from Central Government to compensate for lost income as a result of the pandemic ends on 30 June. The Council's budget for 2021/22 assumes a fairly strong recovery in levels of fees & charges, and this will require careful monitoring over the coming months. In addition, the Council holds reserves to deal with fluctuations which are sufficient to cover the remainder. Council actively taking appropriate action with tenant to recover arrears.	BW	3	3	9
3	Business continuity systems, processes and resourcing To plan for challenges to the continuity of the Council's business. Hence, to ensure the effects on the community in such cases are mitigated as much as is practicable. This includes mitigating impacts on resourcing of key services whereby the Council does not have sufficient staff available with the skills required.	4	3	12	Business Impact Assessments and Service Level Business Continuity Plans have been reviewed to address a loss of staff scenario. The Strategic Business Continuity Plan also consider COVID implications. These plans also consider the low risk of impact from Brexit, which continues to be monitored. Furthermore, the council is currently working through recovery from the COVID. This includes preparation for future waves and restrictions and the creation of a surge testing plan.	NS	4	2	8

	RISK	Likelihood	Impact	Initial Rating	Mitigation	Owner	Revised Likelihood	Revised Impact	Revised Rating
4	<p>Failure of major contractor or supplier Major contractor goes into liquidation or enters into dispute with the Council which cannot be easily resolved. The impacts could be reduced performance and/or increased contract or procurement costs and loss of reputation.</p>	4	3	12	<p>The risks are mitigated by strong contracts with clear dispute resolution processes and good contract management.</p> <p>Major contracts have guarantee provisions and step in rights. In house team able to take on management in an emergency.</p>	BW	2	3	6
5	<p>Major incident A major incident may directly or indirectly affect the Council's ability to deliver services. The current status of the COVID-19 pandemic means the present risk is very high.</p>	4	3	12	<p>The Council has a comprehensive Emergency Plan accompanied by multiple supplementary plans to ensure thorough preparation to major incidents in the Borough. Examples of plans include the Adverse Weather Plan and COVID-19 Future Wave Plan. Key staff have frequent training and exercising to ensure that they are well prepared to respond and that Council arrangements are rigorously tested. Mutual aid arrangements are in place with other Surrey Authorities</p>	NS	3	2	6
6	<p>Treasury and property income Volatility in property values and income driven by market forces. Adverse movements in interest rates leading to financial pressure</p>	3	4	12	<p>Commercial property acquisitions are only made on the advice of professional advisors and after due diligence. Properties are professionally managed to maintain income. The arrangements for the management of the Town Centre changed in April 2021, with the winding-up of the JPUT and the Council taking on a more active role as landlord. The major challenges continue to be managing tenants who may be affected by pandemic, including managing risk of tenants closing, inability to pay rent, Council granting rent free periods. Commercial portfolio is diversified and held for the long-term. Properties are held for the long-term to minimise the impact of</p>	BW	3	4	12

					<p>short-term fluctuations in disposable value. Acquisitions only made in line with our revised property acquisitions strategy, and following consultation with the Property Investment Working Group, and Council agents.</p> <p>Future interest rates on borrowing are fixed where possible to bring certainty of costs. In February 2021, £25 million of short-term variable rate borrowing was converted to long-term fixed rate, and a further £25 million will be converted in February 2022.</p>				
7	<p>Contaminated land Contamination leads to environmental damage that then needs to be cleaned up including Adopted land with long term liabilities associated with it.</p>	2	4	8	<p>Contaminated land that the Council owns, and is responsible for, is actively monitored and remedial work is undertaken to responsibly manage site conditions.</p> <p>The Council is currently investigating contamination on two sites which may be expensive to mitigate.</p>	NS	2	3	6
8	<p>Vulnerable people The Council may not be able to support vulnerable people during a major incident due to the timing of uploading data to the Vulnerable Persons Reporting Systems (VPRS) and the quality of data being uploaded.</p>	3	3	9	<p>Information Sharing Agreement is being agreed to allow pro-active upload of the data on a daily/weekly basis.</p> <p>The Council is corporately responsible for collecting and quality checking the vulnerable peoples data, however the assisted bin collection data is held by Amey who are reluctant to share the data with SHBC.</p>	NS	2	3	6

Key to initials

GR - Gavin Ramtohal - Head of Legal Services & Monitoring Officer
BW – Bob Watson - Strategic Director, Finance and Customer Services
NS - Nick Steevens – Strategic Director, Environment and Community
