

# Risk management

## Strategic risk register

### Quarter 1 – April to June 2022

#### Strategic Risks

Strategic risks are defined as those risks that have an impact on the medium to long term ambitions and priorities of the Council as set out in the Corporate Plan and the Medium-Term Financial Strategy. The Management Team has shared responsibility for strategic risks.

The Council's strategic risks are detailed in below table:

<a href="#"><u>SR1</u></a>	<a href="#"><u>Coronavirus pandemic</u></a>
<a href="#"><u>SR2</u></a>	<a href="#"><u>Financial sustainability</u></a>
<a href="#"><u>SR3</u></a>	<a href="#"><u>Commercial investment</u></a>
<a href="#"><u>SR4</u></a>	<a href="#"><u>Challenging economic conditions for residents and businesses</u></a>
<a href="#"><u>SR5</u></a>	<a href="#"><u>Organisational capacity and culture</u></a>
<a href="#"><u>SR6</u></a>	<a href="#"><u>Cost pressures affecting the viability of Council developments</u></a>
<a href="#"><u>SR7</u></a>	<a href="#"><u>Local government reorganisation, devolution and Levelling Up</u></a>
<a href="#"><u>SR8</u></a>	<a href="#"><u>ICT network capacity and resilience</u></a>
<a href="#"><u>SR9</u></a>	<a href="#"><u>Fraud</u></a>
<a href="#"><u>SR10</u></a>	<a href="#"><u>Gatwick Airport</u></a>
<a href="#"><u>SR11</u></a>	<a href="#"><u>Planning system reform</u></a>
<a href="#"><u>SR12</u></a>	<a href="#"><u>Climate change impact</u></a>

#### Risk rating

Each risk is scored using the potential impact of the risk and the likelihood of the risk happening. The risk score then determines the level of management action required:


<b>RED</b>	Where management should focus attention. Immediate actions should be identified and plans put in place to reduce risk as a priority.
<b>AMBER</b>	Where management should ensure that contingency plans are in place. These may require immediate action and will require monitoring for any changes in the risk or controls. These will be a key area of assurance focus
<b>YELLOW</b>	These should have basic mechanisms in place as part of the normal course of management.
<b>GREEN</b>	Where risk is minimal if does not demand specific attention but should be kept under review.

## Risk status

<b>Tolerate</b>	Decide to accept the risk and take no further measures. This should be a conscious and deliberate decision taken having decided that it is more cost effective to do so than attempt mitigating action.
<b>Transfer</b>	Transfer all or part of the risk. For example, to insurance or to other agencies/contractors.
<b>Treat</b>	Proactive action taken to reduce: <ul style="list-style-type: none"><li>• The probability of the risk happening by Introducing control measures</li><li>• The impact of the risk should it occur.</li></ul>
<b>Close</b>	This could involve changing an aspect of the activity or ceasing to provide the service/function/project and thus eliminate the risk.

## RISK RATINGS

IMPACT						
Grave	5					
Significant	4		SR8	SR5 SR6 SR7	SR2 SR4	
Moderate	3		SR3	SR10 SR11	SR9 SR12	
Minor	2		SR1			
Almost none	1					
		1	2	3	4	5
LIKELIHOOD		Rare	Unlikely	Possible	More than likely	Almost certain

<b>SR1</b>		<b>Coronavirus pandemic</b>		<b>GREEN</b>
<b>Description</b>		The Council will continue to respond to the Covid-19 pandemic in supporting residents, businesses as well as partner voluntary and public sector organisations. However, the effects of, and the ongoing response to, the pandemic could result in significant disruption to the delivery of services and the wider achievement of corporate objectives.		
<b>Owner</b>		<b>Portfolio Holder</b>	Cllr Brunt	
		<b>Officers</b>	Mari Roberts-Wood and Luci Mould	
<b>Controls</b>		<p>Ongoing planning for disruption caused by the pandemic, including maintaining organisational preparedness via emergency and business continuity planning as well as robust risk assessments.</p> <p>The resumption of Covid-19 command and control processes and procedures if required.</p> <p>Liaison and engagement with partners and the Surrey Local Resilience Forum.</p>		
<b>Mitigating actions/progress</b>		<p>Operating within the confines of, and responding to, Covid-19 has now become part of 'business as usual' for the Council, with disruption being proactively planned for. The impact of Covid-19 on the Council continues to reduce, though the risk will continue to be monitored, particularly as we move into the autumn and winter period.</p> <p>The Council's offices have now fully reopened to staff with Covid-19 control measures in place to mitigate against workplace transmission, safeguarding staff health and business continuity.</p>		
<b>Score</b>	<b>Likelihood</b>	Unlikely	<b>Direction of travel</b>	
	<b>Impact</b>	Minor		
<b>Status</b>		Treat		
<b>Last update</b>		8 August 2022		

SR2	Financial sustainability		RED
<p><b>Description</b></p>	<p>The effects of the Covid-19 pandemic, coupled with current adverse macroeconomic conditions and the wider local government funding context, have created conditions of unprecedented financial uncertainty and challenge for the Council.</p> <p>The Council is therefore increasingly reliant on generating additional income and identifying savings and efficiencies from existing budgets. If not mitigated, these financial challenges risk an adverse impact on the Council's ability to deliver its Corporate Plan objectives.</p>		
<p><b>Owner</b></p>	<p><b>Portfolio Holder</b></p>	<p>Cllr Schofield</p>	
	<p><b>Officers</b></p>	<p>Pat Main</p>	
<p><b>Controls</b></p>	<p>The Council will continue to ensure that strong financial management arrangements are in place and will continue investment in skills and expertise to support the delivery of the Council's financial and commercial objectives while managing risks.</p> <p>The Medium-Term Financial Plan (MTFP) sets out the forecast budget challenges over the coming five years and forms the basis for service and financial planning, while the Capital Investment Strategy provides an overview of how capital expenditure, capital financing and treasury management activity contributes to the provision of Council services and how associated risk is managed.</p> <p>The budget pressures identified by the MTFP will be addressed by the Council's Financial Sustainability Programme.</p> <p>The Commercial Strategy sets out the commercial activity the Council will consider, provide a framework on option evaluation, and provide the basis on which commercial decision making will be made.</p> <p>The Annual Revenue Budget sets out funding allocations for the current year and confirms officer accountability for ensuring that expenditure and income are managed within limits approved by Members. In year budget monitoring reports confirm compliance with these limits and report any action required to manage budget variances.</p> <p>The Treasury Management Strategy helps ensure that investments achieve target returns within approved security and liquidity limits and that borrowing to fund the Capital Programme is affordable.</p> <p>Internal audit will be utilised to review the approach taken to secure financial sustainability.</p>		
<p><b>Mitigating actions/progress</b></p>	<p>In addressing its significant financial challenges, the Council has established a Financial Sustainability Programme. The programme will take the form of a series of ambitious initiatives that reduce costs and/or increase income, enabling the Council to set a balanced budget and with a reducing need to draw on reserves. Key to this will be looking at delivering services differently to realise savings and/or increase income, as well as embedding lasting cultural change across the organisation.</p> <p>The programme is premised on the following:</p> <ol style="list-style-type: none"> <li>1. <b>Projects</b> – new ideas and opportunities for generating income and/or making savings.</li> <li>2. <b>Service and financial planning (2023/24 onwards)</b> – for all budget areas, reviewing the services delivered and the associated budgetary requirements. Ensuring that there is a clear justification for all services</li> </ol>		

SR2		Financial sustainability	RED	
		<p>delivered and that budgets are set accordingly. Opportunities for delivering services in a different way to unlock savings will also be explored.</p> <p>3. <b>Fees and charges</b> – carrying out a fundamental review to ensure the full application of the fees and charges policy across the Council.</p> <p>Updates on the programme will be reported to the Overview and Scrutiny Committee and Executive.</p> <p>An updated MTFP was reported to the Overview and Scrutiny Committee and Executive in July 2022 (agenda <a href="#">available here</a>).</p> <p>The update confirmed that the risk of increasing costs, driven by inflationary pressures in the wider economy and disruption of the global supply chain, presents an increasing challenge to the Council’s financial sustainability. This is especially notable for the goods and services that the Council relies on to maintain service delivery. The Council continues to ensure the most financially advantageous/sustainable option is selected when procuring goods and services and, wherever possible, the Council will ensure that increased costs are reflected in the fees and charges levied or compensating budget savings will be sought.</p>		
Score	Likelihood	More than likely	Direction of travel	-
	Impact	Significant		
Status		Treat		
Last update		2 August 2022		

<b>SR3</b>		<b>Commercial investment</b>		<b>AMBER</b>
<b>Description</b>		<p>The generation of income from commercial investment is a contributor to the Council's financial sustainability. Following several high-profile commercial investment failures by local authorities, the ability to invest for a commercial purpose is being further restricted by changes in legislation, regulations, and codes of practice.</p> <p>Moreover, investing for commercial purposes – either in assets or in trading services – is not without risk due to market fluctuations and factors outside of the Council's control.</p> <p>The risks associated with commercial investment range from the non-achievement of budgeted income to significant capital and revenue losses, as well as governance, legal and reputational issues.</p>		
<b>Owner</b>		<b>Portfolio Holder</b>	Cllrs Archer and Schofield	
		<b>Officers</b>	Mari Roberts-Wood, Pat Main and Cath Rose	
<b>Controls</b>		<p>Effective governance arrangements for investment decision making.</p> <p>Commercial opportunities will be considered on a case-by-case basis with up-to-date market intelligence used to inform decisions.</p> <p>Investments will be predicated on robust, stress-tested business cases and financial assessments which consider risks and benefits. Benefits will be monitored via established governance and reporting processes.</p> <p>Independent valuations will be commissioned as part of the decision-making process.</p> <p>Evidence of compliance with relevant Government and CIPFA guidance will be confirmed when business cases are approved.</p> <p>Exit strategy options will be considered at the time of decision-making.</p> <p>Commercial projects will be overseen by the Commercial Ventures Executive Sub-Committee.</p>		
<b>Mitigating actions/progress</b>		The Council has now adopted parts 1 and 2 of the commercial strategy which sets the agreed parameters for commercial activity, including an action plan which will be reported on annually.		
<b>Score</b>	<b>Likelihood</b>	Unlikely	<b>Direction of travel</b>	-
	<b>Impact</b>	Moderate		
<b>Status</b>		Treat		
<b>Last update</b>		26 July 2022		

<b>SR4</b>	<b>Challenging economic conditions for residents and businesses</b>		<b>RED</b>
<b>Description</b>	<p>A prosperous economy is essential for the wellbeing of the borough, creating employment and wealth that benefits local people and businesses. The Covid-19 pandemic has resulted in significant negative impacts upon the economy – including on sectors particularly impacted by restrictions – the effects of these will continue to be felt for some time.</p> <p>Prevailing economic conditions have a direct impact on the Council's financial position and likewise impacts upon the demand for Council services, particularly in terms of income derived from fees and charges and the collection of monies owed.</p> <p>Challenging financial circumstances for residents may also increase their reliance on Council services which could result in cost pressures on the Council. The risk of the latter is exacerbated by household budgets being stretched by current high levels of inflation and rising consumer prices.</p>		
<b>Owner</b>	<b>Portfolio Holder</b>	Cllrs Humphreys, Neame and Ashford	
	<b>Officers</b>	Mari Roberts-Wood, Pat Main, Duane Kirkland, Richard Robinson, Simon Bland and Justine Chatfield	
<b>Controls</b>	<p>The UK and Global Economies are outside of the control and influence of the council. However, the Council is able to provide support to residents and businesses; both via direct service delivery and also through the disbursement of grants and other sources of funding.</p> <p>The Council's Business Engagement Team provides a range of advice, support and networking opportunities for local business, allowing the Council to receive feedback on general economic performance and conditions.</p> <p>Early and regular engagement by the Community Development and Intervention teams to support residents.</p> <p>The operation of Council owned and operated emergency accommodation to reduce spend on temporary emergency accommodation.</p> <p>Applying for government grants to fund additional support services.</p> <p>Joint working and close collaboration with partners.</p>		
<b>Mitigating actions/progress</b>	<p>The removal of the government's Covid-19 restrictions resulted in a marked uptick in economic activity in 2021/22, with the UK economy growing beyond its pre-pandemic size at the end of 2021.</p> <p>However, consumer price inflation has risen significantly across the world, including the UK where the consumer price index is forecast by the Bank of England's Monetary Policy Committee to reach 13% in 2022/23. Consumer prices are rising due to sharp increases in global energy and commodity prices as well as tradable goods prices, the latter due to global supply chain disruption and bottlenecks.</p> <p>The UK economy is subsequently forecast to enter a recession in the latter part of 2022. The economic environment for residents and businesses is therefore inherently uncertain.</p> <p>The Council has released a communication campaign encouraging residents to buy local. Additionally, the Council is promoting the use of energy efficiency grants from SCC to support local businesses, highlighting energy saving and efficiency measures, such as solar panel installation, long life lights, etc to reduce the impact of rising costs.</p>		



<b>SR4</b>	<b>Challenging economic conditions for residents and businesses</b>		<b>RED</b>
<p>The Council will continue to apply for business support grants to support local employment and businesses and distribute them as and when they become available.</p> <p>Following an increase during the height of the Covid-19 pandemic, the Council's Money Support service has seen referrals return to more 'normal' pre-pandemic levels. It is possible, however, that the rising cost of living will result in increased referrals. Additional resourcing has been identified to support the service if necessary. The Council also facilitates closer collaboration between the various other money and debt advice services operating in the borough.</p> <p>The Council continues to closely liaise with voluntary sector partners and to participate in the Surrey wide fuel poverty group, which will look to reduce incidents of and support residents at risk of fuel poverty. The Council administers grants to eligible householders to help them insulate their homes. The Council also provides grants to local voluntary sector organisations to provide utilities top-ups to residents living in fuel poverty.</p> <p>The Council is supporting those affected by food poverty in the borough by facilitating food club initiatives and facilitating coordination between food banks in the borough. Food clubs support residents experiencing financial hardship with access to food and basic supplies. They can help provide a sustainable solution to food poverty and reduce the need to use emergency food banks.</p> <p>In February 2022 the Chancellor announced that council taxpayers who live in a band A to D property will receive a one-off payment of £150 to support them with rising energy costs. The Council has administered this scheme on behalf of the government, with payments beginning in April 2022. The vast majority of payments to eligible residents have now been made.</p> <p>The Council continues to apply for government grants to support homeless residents, or those at risk of homelessness.</p> <p>The Council has commenced a study linking affordability of housing in the borough to the number of homelessness in Q1 of 21/22. This has continued into the 2022/23 financial year with additional data from the 1<sup>st</sup> quarter being added into the dataset.</p> <p>The Council also continues to administer the government's Household Support Fund. The first tranche of the scheme allocated the Council £382,000. This was used to support over 4,000 vulnerable households with accessing food and heating their homes. The Council also used the funds to support our voluntary sector partners and households to prevent homelessness. The government has announced the continuation of the scheme, with a further £500 million made available to local authorities across the country.</p>			
<b>Score</b>	<b>Likelihood</b>	More than likely	<b>Direction of travel</b>  -
	<b>Impact</b>	Significant	
<b>Status</b>		Treat/tolerate	
<b>Last update</b>		14 July 2022	

<b>SR5</b>		<b>Organisational capacity and culture</b>		<b>AMBER</b>
<b>Description</b>		<p>The Covid-19 pandemic has had a significant impact on the Council, with additional demands and challenges arising alongside the need to continue to deliver on corporate objectives. The pandemic has also drastically changed the way the Council operates, the context within which it does so, with a resultant shift in the organisational culture and ways of working.</p> <p>As we increasingly move into recovery, these factors underscore the importance of the Council prioritising its activities and being sustainably and efficiently resourced to meet the challenges ahead. In this new context, the embedding of a robust and resilient organisational culture that successfully supports officers and members and makes the Council an attractive place to work is similarly key. The failure to do will risk the delivery of the Council's objectives.</p>		
<b>Owner</b>		<b>Portfolio Holder</b>	Cllr Lewanski	
		<b>Officers</b>	Mari Roberts-Wood and Kate Brown	
<b>Controls</b>		<p>Implementation of the Organisational Development strategy (known as the Great People strategy).</p> <p>Development of an embedded Workforce Planning approach for the Council, with service and financial planning to appropriately resource the Council's staffing requirements.</p> <p>Recruitment, training and development.</p> <p>Ongoing consultation and engagement with staff.</p> <p>Succession planning.</p>		
<b>Mitigating actions/progress</b>		<p>Before the COVID-19 pandemic significant work was undertaken on the Council's Great People work programme (formerly known as the Organisational Development strategy) which has formed the solid basis for post-pandemic planning. The Council has developed and implemented an embedded Workforce Planning Approach with service and financial planning to ensure resource to meet the Council's staffing requirements.</p> <p>A proposal for the future structure of the Senior Management Team was presented to the Employment Committee and its recommendations approved, implementation has now commenced.</p> <p>Projects related to future ways of working, including 'hybrid working', are being taken forward by the Organisation Board.</p> <p>HR continue to proactively address staff wellbeing issues, with initiatives for helping support staff and their wellbeing progressing. Measures have also been implemented to support staff to come together and collaborate in a Covid secure way. A wider, strategic piece focusing on staff welfare is continuing to be developed. Staff are continuing to be encouraged to take annual leave and take suitable breaks away from work.</p>		
<b>Score</b>	<b>Likelihood</b>	Possible	<b>Direction of travel</b>	-
	<b>Impact</b>	Significant		
<b>Status</b>		Treat		
<b>Last update</b>		2 August 2022		

<b>SR6</b>		<b>Cost pressures affecting the viability of Council developments</b>		<b>AMBER</b>	
<b>Description</b>		<p>The UK construction sector has seen an increase in building material and labour costs arising from global supply chain disruption and inflationary pressures.</p> <p>This disruption and increase in costs may impact the Council's ability to deliver economically viable development projects. The effects of this are multifaceted but could result in negative financial implications as well as jeopardising the delivery of strategic corporate objectives.</p>			
<b>Owner</b>		<b>Portfolio Holder</b>	Cllrs Biggs and Schofield		
		<b>Officers</b>	Mari Roberts-Wood, Luci Mould, Pat Main, Peter Boarder		
<b>Controls</b>		<p>Robust, stress tested business cases for all development projects which are reported and monitored via established governance arrangements.</p> <p>The Council will collaborate and seek external advice from external professional teams (quantity surveyors, employers' agents, etc.) to attempt to resolve cost pressures.</p> <p>Rigorous change management processes will be put in place for all development projects.</p> <p>External grant funding opportunities will be pursued where available.</p>			
<b>Mitigating actions/progress</b>		Cost pressures on Council development schemes are considered under the annual service and financial planning and budgeting process. Such cost pressures are also considered as part of business case stage of any development and are closely monitored throughout a projects lifecycle.			
<b>Score</b>	<b>Likelihood</b>	Possible		<b>Direction of travel</b>	-
	<b>Impact</b>	Significant			
<b>Status</b>		Treat			
<b>Last update</b>		8 August 2022			

<b>SR7</b>		<b>Local government reorganisation, devolution and Levelling Up</b>		<b>AMBER</b>
<b>Description</b>		A reorganisation of local government could be prompted by a range of scenarios and circumstances, including the financial failure of an authority within Surrey or as part of the government's devolution and 'Levelling Up' agenda. The uncertainty surrounding, and subsequent results of, any local government reorganisation could adversely affect the Council and the delivery of services for residents.		
<b>Owner</b>		<b>Portfolio Holder</b>	Cllr Brunt	
		<b>Officers</b>	Mari Roberts-Wood	
<b>Controls</b>		Close working with neighbouring and partner authorities to develop alternative proposals for the future of local government in Surrey. Lobbying central government where appropriate and necessary.		
<b>Mitigating actions/progress</b>		<p>A government White Paper on devolution and 'Levelling Up' was published in February 2022. The White Paper set out the government's Levelling Up objectives as well as details and principles of a new devolution framework for England. In May 2022 the government published its Levelling Up and Regeneration Bill. The Bill creates the statutory basis for the new forms of devolution articulated in the earlier White Paper. The Bill is currently at the committee stage in the House of Commons.</p> <p>The Bill articulates three levels of devolution. 'Level 3' describes the creation of Combined County Authorities (CCAs) with directly elected mayors as recipients of newly devolved powers and funding. Whilst the existing legislative provisions for combined authorities require all local authorities within the area covered to be a full member, the CCAs introduced by the Bill may be setup with upper-tier authorities only (county and unitary authorities). The Bill would also permit the Secretary of State to transfer powers and functions away from a county or districts in an area to the newly established CCA. The Bill may therefore result in a substantial transference of powers and responsibilities in areas receiving a CCA.</p> <p>Surrey County Council are developing a proposal to secure a county deal for Surrey as described within the Bill's devolution framework. However, at this time Surrey is not thought to be pursuing a 'level 3' devolution deal.</p> <p>The Council will continue to seek to proactively influence the debate and proposals on potential devolution deals as well as the future structure of local government within Surrey.</p>		
<b>Score</b>	<b>Likelihood</b>	Possible	<b>Direction of travel</b>	-
	<b>Impact</b>	Significant		
<b>Status</b>		Treat		
<b>Last update</b>		12 July 2022		

SR8		ICT network capacity and resilience		AMBER
<b>Description</b>		<p>The Covid-19 pandemic has sparked a significant shift in the way that the Council works, with increasing demands placed on technology and the underlying supporting ICT infrastructure.</p> <p>As the reliance and demands placed upon technology continues to increase, there is a risk of significant disruption to service delivery in the event of network disruption and/or outage, particularly following a cyber-attack.</p> <p>It is therefore imperative that the Council continues to invest in robust systems, infrastructure, network security and disaster recovery capabilities to manage this risk and maintain the delivery of services.</p>		
<b>Owner</b>		<b>Portfolio Holder</b>	Cllr Lewanski	
		<b>Officers</b>	Darren Wray	
<b>Controls</b>		<p>ICT has in-place several layers of defences protecting core data and systems from Internet and locally introduced threats. Including email scanning, internet browsing controls; device and server based anti-virus software and whole disk encryption for laptops.</p> <p>Virus patterns are updated on a regular basis. Firewalls are placed at points on the network where external connections join the local network.</p> <p>Implementation of the new ICT strategy to further enhance the Council's network resilience and cyber security capabilities.</p> <p>Active contract with NCCGroup, a cyber security specialist organisation for the investigation of any incidents that may arise.</p> <p>A programme of cyber security training with all staff</p>		
<b>Mitigating actions/progress</b>		<p>The ICT service has put in place a Service Level Agreement (SLA) with the NCCGroup, who work on behalf of the Cabinet Office on heightening cyber security across local government. The SLA provides support and instant access to the NCCGroup's expertise in the event of a cyber security incident.</p> <p>In March 2022 a proposal for significant enhancements to the Council's cyber security capabilities was approved by the Executive and Full Council as part of the Council's new ICT strategy. Implementation of the new strategy has now begun, with procurement phase beginning in Q1.</p>		
<b>Score</b>	<b>Likelihood</b>	Unlikely	<b>Direction of travel</b>	-
	<b>Impact</b>	Significant		
<b>Status</b>		Treat		
<b>Last update</b>		13 July 2022		

<b>SR9</b>		<b>Fraud</b>		<b>AMBER</b>
<b>Description</b>		Due to the wide range of activities undertaken by the Council, there is a risk of fraud being committed. The risk of the latter is exacerbated by the new areas of activity as part of the Council's response to the Covid-19 pandemic.		
<b>Owner</b>		<b>Portfolio Holder</b>	Cllr Schofield	
		<b>Officers</b>	Mari Roberts-Wood and Simon Rosser	
<b>Controls</b>		<p>The Council maintains robust control measures to protect public funds from fraudulent activity. This includes the Counter Fraud, Corruption and Bribery Policy, Whistleblowing Policy and Prosecution Policies.</p> <p>The Council has a Fraud and Financial Investigations Team that are proactive and reactive. Investigations can be external and internal and cover all areas of corporate fraud.</p> <p>Staff induction also includes fraud awareness training, as well as awareness of established policies and procedures.</p> <p>Internal audit undertaking reviews into fraud risk areas.</p>		
<b>Mitigating actions/progress</b>		<p>The Council's in-house fraud team detected elevated levels of fraudulent activity during 2021/22. This had arisen from new activity areas as part of the pandemic response – for instance, business grants and Test and Trace payments – as well as the effects of the pandemic giving rise to increased attempts to commit fraud, such as in attempting to fraudulently join the Council's housing register.</p> <p>The Council is making proactive fraud checks on all housing applications and action will be taken where appropriate.</p> <p>A staff wide fraud awareness programme has been implemented, with training of the relevant teams continuing to take place.</p>		
<b>Score</b>	<b>Likelihood</b>	More than likely	<b>Direction of travel</b>	-
	<b>Impact</b>	Moderate		
<b>Status</b>		Treat		
<b>Last update</b>		21 July 2022		

<b>SR10</b>		<b>Gatwick airport</b>		<b>AMBER</b>
<b>Description</b>		Despite the impact of the Covid-19 pandemic on international travel, Gatwick Airport is continuing to pursue its plans for expansion. Whilst the airport is a key local employer and its operations and supply chains have a significant bearing on the borough's economy, its expansion risks local environmental and infrastructural issues if not appropriately planned and managed.		
<b>Owner</b>		<b>Portfolio Holder</b>	Cllr Biggs	
		<b>Officers</b>	Luci Mould and Simon Bland	
<b>Controls</b>		<p>This risk is largely outside of the Council's control and is dependent on any possible support provided by the government to the aviation sector and the commercial decisions made by private companies.</p> <p>The council will continue to regularly engage throughout the planning process to mitigate negative outcomes and maximise benefits.</p> <p>Engagement with Gatwick via the formal planning process</p> <p>Cooperation with neighbouring Local Authority partners affected by the expansion</p>		
<b>Mitigating actions/progress</b>		<p>Gatwick continues to pursue its plans for expansion. The Council responded to a consultation in advance of the airport's application for a development consent order, which is expected to be made towards the end of 2022.</p> <p>A new phase of engagement has commenced in Q1 of 2022/23, which the Council is continuing to participate in.</p>		
<b>Score</b>	<b>Likelihood</b>	Possible	<b>Direction of travel</b>	-
	<b>Impact</b>	Moderate		
<b>Status</b>		Treat/tolerate		
<b>Last update</b>		14 July 2022		

SR11	Planning system reform		AMBER
<b>Description</b>	<p>The government is considering changes to the planning system in England. There is a risk that, if adopted in the form contained in the consultation White Paper, these changes could result in a loss of local democratic control over planning matters.</p> <p>Although the government have confirmed that they will not be increasing the threshold at which affordable housing is required from developments (which was included in a past consultation documents), there is a risk that the other proposed changes, if adopted into national policy, could result in a reduction in the delivery of affordable housing in the borough.</p>		
<b>Owner</b>	<b>Portfolio Holder</b>	Cllr Biggs	
	<b>Officers</b>	Luci Mould and Andrew Benson	
<b>Controls</b>	<p>Respond to the government's consultation as it develops, and as additional rounds of consultation are issued.</p> <p>To continue to pursue the delivery of affordable housing as detailed in the Council's housing strategy.</p>		
<b>Mitigating actions/progress</b>	<p>In May 2022 the Queen's Speech announced new proposed reforms to the planning system, as part of a Levelling Up and Regeneration Bill. The Bill is currently at the committee stage in the House of Commons.</p> <p>The Bill has not taken forward a number of measures set out in the previous Planning for the Future White Paper.</p> <p>The key highlights of these proposed reforms include:</p> <ul style="list-style-type: none"> <li>• A new development plan system will be introduced at the local level. This may result in changes to the setting of local plans by local authorities.</li> <li>• The Local Planning Authorities (LPAs) being required to make all planning decisions in accordance with their development plan (and any national development management policies) unless material considerations strongly indicate otherwise.</li> <li>• A proposal to introduce street referenda on developments. These 'street votes' are intended to provide residents with the power to set their own development rules in suburban areas. As written, 20% of residents or around 10 homeowners, whichever figure is higher, could ask their local council to hold a referendum on a design code for their street.</li> <li>• The introduction of a new infrastructure levy to be implemented by English local authorities to replace the Community Infrastructure Levy (CIL) and most developer contributions to local infrastructure and affordable housing via 'section 106 agreements. It is currently unclear whether this levy will be nationally or locally set.</li> <li>• Amendments to provisions for neighbourhood planning by listing the policies and requirements that a neighbourhood plan may include with neighbourhood development orders being prohibited from preventing housing development proposed in the area's development plan.</li> <li>• The document-based planning system currently in effect would move to a digital one. This is intended to improve the speed and efficiency of</li> </ul>		



<b>SR11</b>		<b>Planning system reform</b>		<b>AMBER</b>
		<p>application decisions and allow residents to be more engaged in the development of their local area.</p> <p>The Bill is still at an early legislative stage. The implications arising will be closely monitored and any action taken as necessary. As the Bill progresses through Parliament it may require an amendment to the current risk description to fully capture the emerging potential impacts.</p>		
<b>Score</b>	<b>Likelihood</b>	Possible	<b>Direction of travel</b>	-
	<b>Impact</b>	Moderate		
<b>Status</b>		Treat		
<b>Last update</b>		21 July 2022		

SR12		Climate change impact		AMBER
<b>Description</b>		<p>It is widely recognised that the Earth's climate is changing, with this forecast to result in more extreme weather. This could have negative impacts, including on the built and natural environment, with vulnerable residents likely to be most severely impacted.</p> <p>In response, the Council may encounter difficulties in delivering services and may similarly have additional demands placed upon it, particularly as climate change adaptation and mitigation becomes increasingly necessary.</p>		
<b>Owner</b>		<b>Portfolio Holder</b>	Cllrs Lewanski and Brunt	
		<b>Officers</b>	Cath Rose, Frank Etheridge, Andrew Benson	
<b>Controls</b>		<p>The Council's multi-agency adverse weather emergency plan as well as service level business continuity plans.</p> <p>Partnership work with Surrey County Council and the Environment Agency to mitigate flooding in local developments.</p> <p>The creation of an internal Sustainability Team and the associated implementation of the recommendations of the Environmental Sustainability Strategy.</p> <p>Supplementary planning document detailing climate change and sustainable construction for new developments in the borough. Consideration of climate change impacts requirements under the new local plan.</p>		
<b>Mitigating actions/progress</b>		<p>The Council continues to actively implement measures to reduce the impact of extreme weather on local developments. For example the installation of swales at Merstham Recreational Ground to improve drainage capacity. Further activity is taking place in the north of the borough to reduce the impact from flooding and other extreme weather events, with the Council actively engaging in local flood action groups.</p> <p>The Council has recently introduced a Household Emergency Plan, which details what activities households can take to minimise impact from flooding or other extreme weather events. The plan will shortly be published on the Council's website.</p> <p>The Council's emergency planning team continues to proactively engage at the Surrey Local Resilience Forum for preparing for and responding to extreme weather events.</p> <p>The heatwaves experienced in July 2022 required the Council to implement measures to safeguard business continuity and staff welfare. This included issuing staff working outside with sunscreen, hats and water as well as altering refuse collection times to avoid staff working in the hottest part of the day. Service delivery continued despite the heatwave's impacts.</p>		
<b>Score</b>	<b>Likelihood</b>	More than likely	<b>Direction of travel</b>	-
	<b>Impact</b>	Moderate		
<b>Status</b>		Tolerate/Treat		
<b>Last update</b>		27 July 2022		