

Risk management

Strategic risk register

Quarter 4 – January to March 2023

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:

<u>SR1</u>	<u>Coronavirus pandemic</u> (Risk Closed in Q3 2022/23)
<u>SR2</u>	<u>Financial sustainability</u>
<u>SR3</u>	<u>Commercial investment</u>
<u>SR4</u>	<u>Challenging economic conditions for residents and businesses</u>
<u>SR5</u>	<u>Organisational capacity and culture</u>
<u>SR6</u>	<u>Cost pressures affecting the viability of Council developments</u>
<u>SR7</u>	<u>Local government reorganisation, devolution and Levelling Up</u>
<u>SR8</u>	<u>ICT network capacity and resilience</u>
<u>SR9</u>	<u>Fraud</u>
<u>SR10</u>	<u>Gatwick Airport</u>
<u>SR11</u>	<u>Planning system reform</u>
<u>SR12</u>	<u>Climate change impact</u>

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:

RED	Where management should focus attention. Immediate actions should be identified, and plans put in place to reduce risk as a priority.
AMBER	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
YELLOW	These should have basic mechanisms in place as part of the normal course of management.
GREEN	Where risk is minimal if does not demand specific attention but should be kept under review.

Risk status

Tolerate	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.
Transfer	Transfer all or part of the risk. For example, to insurance or to other agencies/contractors.
Treat	Proactive action taken to reduce: <ul style="list-style-type: none">• The probability of the risk happening by Introducing control measures• The impact of the risk should it occur.
Close	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			SR5 SR6 SR7	SR2 SR4	
Moderate	3		SR3 SR8 ↓ SR11	SR10	SR9 SR12	
Minor	2					
Almost none	1					
		1	2	3	4	5
LIKELIHOOD		Rare	Unlikely	Possible	More than likely	Almost certain

SR1		Coronavirus pandemic		CLOSED
Description		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.		
Owner		Portfolio Holder	Cllr Brunt	
		Officers	Mari Roberts-Wood and Luci Mould	
Controls		<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>		
Mitigating actions/progress		<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 and structural controls now in place.</p> <p>The impact of Covid-19 on the Council and wider society in general continues to decline, as such this risk was closed in Q3 2022/23 reporting.</p>		
Score	Likelihood	Unlikely	Direction of travel	-
	Impact	Minor		
Status		Risk Closed		
Last update		6 February 2023		

SR2	Financial sustainability		RED
<p>Description</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>Owner</p>	<p>Portfolio Holder</p>	<p>Cllr Lewanski</p>	
	<p>Officers</p>	<p>Pat Main</p>	
<p>Controls</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>Mitigating actions/progress</p>	<p>In addressing its significant financial challenges, the Council has established a Financial Sustainability Programme. This 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 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"> 1. Projects – new ideas and opportunities for generating income and/or making savings. 2. Service and financial planning (2023/24 onwards) – for all budget areas, reviewing the services delivered and the associated budgetary requirements. Ensuring that there is a clear justification for all services 		

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. Fees and charges – carrying out a fundamental review to ensure the full application of the fees and charges policy across the Council.</p> <p>Updates to the programme will be reported to the Overview and Scrutiny Committee and Executive.</p> <p>An updated MTFP forecast was reported to the Overview and Scrutiny Committee and Executive in January 2023 along with the Revenue Budget 2023/24 and Capital Programme 2023-2028. This 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> <p>Energy costs have also escalated following the most recent contract renewals and the extent of Government financial support to offset the impacts remains uncertain.</p> <p>This risk will transfer over to the 2023/24 strategic risk register as SR1 ‘Financial Sustainability’.</p>		
Score	Likelihood	More than likely	Direction of travel	-
	Impact	Significant		
Status		Treat		
Last update		2 May 2023		

SR3		Commercial investment		AMBER
Description		<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>		
Owner		Portfolio Holder	Cllr Lewanski and Cllr A King	
		Officers	Mari Roberts-Wood and Pat Main	
Controls		<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 Partnership, Trustee and Shareholder Sub-Committee.</p> <p>The performance of the Council's company investments is reporting bi-annually to the Overview & Scrutiny Committee and the Sub-Committee.</p>		
Mitigating actions/progress		<p>The Council has now adopted parts 1 and 2 of the commercial strategy which sets out the agreed parameters for commercial activity, including an action plan which will be reported on annually.</p> <p>Work is underway to review the future plans and direction for the Council's company investments.</p> <p>This risk will transfer over to the 2023/24 strategic risk register as SR2 'Commercial investment'.</p>		
Score	Likelihood	Unlikely	Direction of travel	-
	Impact	Moderate		
Status		Treat		
Last update		2 May 2023		

SR4	Challenging economic conditions for residents and businesses		RED
Description	<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>		
Owner	Portfolio Holder	Cllr Biggs, Cllr Neame and Cllr Ashford	
	Officers	Mari Roberts-Wood, Pat Main, Duane Kirkland, Richard Robinson, Simon Bland, and Justine Chatfield	
Controls	<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>		
Mitigating actions/progress	<p>Consumer price inflation has risen significantly across the world, including the UK where inflation was up to 10.1% as of the close of March 2023. Consumer prices are rising due to increased demand for global energy and commodities.</p> <p>The UK economic situation remains uncertain with the long-term economic environment for residents and businesses remaining challenging.</p> <p>To support local businesses, the Council launched a communications campaign encouraging residents to buy locally which will continue to run into the 2023/24 year.</p> <p>The Council is promoting the use of energy efficiency grants from Surrey County Council to support local businesses, highlighting energy saving and efficiency measures, such as solar panel installation and long-life lights to reduce the impact of rising energy costs. This programme will run through to the end of the 2022/23 financial year and will then be subject to review by Surrey County Council.</p> <p>The Council will continue to apply for business support grants to support local employment and businesses and distribute them should they become available.</p> <p>Central government's Energy Price Guarantee, which supports households with their energy bills, has now undergone a review, with the Energy Bill Support Scheme ending in March 2023.</p>		


SR4		Challenging economic conditions for residents and businesses		RED
<p>The additional energy price guarantee support that was provided to local businesses and non-domestic sectors has now ceased.</p> <p>The rising cost of living along with related factors have resulted in increased referrals to the Council's Money Support service, with referrals in Q4 now reaching levels not seen since the peak of the Covid-19 pandemic. This has chiefly been driven by inflationary pressures from increasing energy costs, impact of the move of increasing numbers of residents onto universal credit, and a general lack of disposable income for some local households.</p> <p>Additional resourcing has been identified to support the service if/when 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 participate in the Surrey wide fuel poverty group, which looks to reduce incidents and support residents at risk of fuel poverty. The Council administers grants to eligible householders to help them insulate their homes as they arise. 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>The Council has provided 'Warm Hubs' as part of a county wide package to support residents. Warm hubs are intended to assist those in fuel poverty by providing warm spaces across the borough.</p> <p>The Council continues to receive government grants to support homeless residents, or those at risk of homelessness.</p> <p>The Council continues to administer the government's Household Support Fund. The first three tranches of the scheme have been completed, with use of the fourth expected imminently within the 2023/24 financial year. The scheme has been used to support vulnerable households with access to food and heating, with approximately £700k spent in the first three tranches.</p> <p>There is currently a shortage in affordable private-rented accommodation in the borough. This has placed additional challenges on residents and the homelessness service for those looking for accommodation in the borough. A new housing pilot scheme was approved by the Executive in January 2023. This scheme aims to offer social tenants in the borough that are currently under-occupying their tenancy the opportunity and assistance to downsize into a smaller property, creating space for those looking for accommodation in the borough.</p> <p>This risk will transfer over to the 2023/24 strategic risk register as SR3 'Challenging economic conditions for residents and businesses.'</p>				
Score	Likelihood	More than likely	Direction of travel	-
	Impact	Significant		
Status		Treat/tolerate		
Last update		2 May 2023		

SR5		Organisational capacity and culture		AMBER
Description		<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>		
Owner		Portfolio Holder	Cllr Lewanski	
		Officers	Mari Roberts-Wood, Laura McCartney, Luci Mould and Kate Brown	
Controls		<p>Implementation of the Human Resources and Organisational Development strategy.</p> <p>Development of an embedded Workforce Planning approach for the Council, alongside service and financial planning.</p> <p>Recruitment, training, and development.</p> <p>Ongoing consultation and engagement with staff.</p> <p>Succession planning.</p>		
Mitigating actions/progress		<p>Before the COVID-19 pandemic significant work was undertaken on the Council's HR and OD Work Programme (previously the 'Organisational Development Strategy') which has formed the solid basis for post-pandemic action.</p> <p>The Council continues to face challenges in regard to recruitment and retention of staff. While turnover was low during the pandemic, it has steadily increased through the 2022/23 year. This has been driven by a combination of factors, most notably a buoyant UK labour market and built-up demand for a job move stemming from the pandemic period.</p> <p>Staff resourcing levels are being closely monitored and action taken as required. The Council has engaged with the Local Government Association (LGA) for support with identifying initiatives that will ensure that the Council continues to attract and retain staff.</p> <p>A Corporate Pay Board has also been established to oversee all aspects of employee pay costs, benefits mapping, pay modelling and negotiation with staff representatives for the annual cost of living award.</p> <p>An establishment management process is in place alongside service and financial planning to ensure resources meet the Council's requirements.</p> <p>This risk will transfer over to the 2023/24 strategic risk register as SR4 'Organisational capacity and culture.'</p>		
Score	Likelihood	Possible	Direction of travel	-
	Impact	Significant		
Status		Treat		

SR5	Organisational capacity and culture	AMBER
Last update	17 April 2023	

SR6		Cost pressures affecting the viability of Council developments		AMBER	
Description		<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>			
Owner		Portfolio Holder	Cllr Lewanski and Cllr Michalowski		
		Officers	Mari Roberts-Wood, Luci Mould, Pat Main, and Peter Boarder		
Controls		<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>			
Mitigating actions/progress		<p>Cost pressures on Council development schemes are considered under the annual service and financial planning and budgeting monitoring processes. Such cost pressures are also considered as part of business case development and are closely monitored throughout a project's lifecycle.</p> <p>This risk will transfer over to the 2023/24 strategic risk register as SR5 'Cost pressures affecting the viability of Council developments.'</p>			
Score	Likelihood	Possible		Direction of travel	-
	Impact	Significant			
Status		Treat			
Last update		2 May 2023			

SR7		Local government reorganisation, devolution and Levelling Up		AMBER
Description		<p>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.</p>		
Owner		Portfolio Holder	Cllr Biggs	
		Officers	Mari Roberts-Wood	
Controls		<p>Close working with neighbouring and partner authorities to develop alternative proposals for the future of local government in Surrey.</p> <p>Lobbying central government where appropriate and necessary.</p>		
Mitigating actions/progress		<p>In 2022 the government published its Levelling Up and Regeneration Bill. This Bill creates the statutory framework for the new forms of devolution articulated in the earlier White Paper. The Bill is currently at the committee stage in the House of Lords, and at the time of writing, is likely to receive royal assent in 2023/24.</p> <p>Surrey County Council have developed a 'level 2' proposal to secure a county deal. The current draft proposals concern: (i) the creation of a single Surrey wide growth and investment fund; (ii) the creation of a Surrey growth and enterprise hub which requires changes to current Local Enterprise Partnership functions and responsibilities; (iii) Surrey CC receiving devolved skills functions and budget from central government; (iv) Surrey CC being designated the lead climate change authority; and (v) the development of a Surrey infrastructure investment plan.</p> <p>The Council is engaged with Surrey CC as it progresses its proposal and will continue to seek to proactively influence the debate on devolution deals as well as the future structure of local government in Surrey.</p> <p>Under a Level 2 County Deal the Council is unlikely to be required to make significant changes to existing governance arrangements, as most powers and functions will be devolved to the upper-tier authority and can be incorporated into existing structures.</p> <p>Central government has indicated that for devolved powers that relate to lower-tier functions, a joint-committee (or similar statutory arrangement) between participating authorities may need to be established to exercise these powers. Depending on the nature of the powers and functions devolved through a County Deal there are a number of options the Council could explore for governance arrangements. There is also scope to explore opportunities for 'double devolution' whereby certain functions could be devolved to district and boroughs, as well as local town and parish councils in order to achieve greater engagement with the local community.</p> <p>This risk will transfer over to the 2023/24 strategic risk register as SR6 'Local government reorganisation, devolution and Levelling Up.'</p>		
Score	Likelihood	Possible	Direction of travel	-
	Impact	Significant		
Status		Treat		
Last update		6 February 2023		

SR8		ICT network capacity and resilience		AMBER
Description		<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>		
Owner		Portfolio Holder	Cllr J King	
		Officers	Darren Wray and Laura McCartney	
Controls		<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>		
Mitigating actions/progress		<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 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. The implementation of these new capabilities is now close to conclusion, with the service expected to go live in Q1 of 2023/24. Given this, the impact of this risk has been mitigated significantly. As such, this risk has been recommended for downgrading in Q4 reporting.</p> <p>This risk will transfer over to the 2023/24 strategic risk register as SR7 'ICT network capacity and culture.'</p>		
Score	Likelihood	Unlikely	Direction of travel	
	Impact	Moderate		
Status		Treat		
Last update		25 April 2023		

SR9		Fraud		AMBER
Description		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.		
Owner		Portfolio Holder	Cllr Lewanski	
		Officers	Pat Main and Simon Rosser	
Controls		<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>		
Mitigating actions/progress		<p>The Council's in-house fraud team continues to detect elevated levels of fraudulent activity in certain areas, such as housing benefit and council tax. This had originally arisen from new activity areas as well as the effects of the Covid-19 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 continues 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> <p>The Council has engaged with Surrey County Council and other Surrey local authorities to review council tax single occupancy discounts as part of a wider drive to identify and decrease council tax fraud.</p> <p>This risk will transfer over to the 2023/24 strategic risk register as SR8 'Fraud.'</p>		
Score	Likelihood	More than likely	Direction of travel	-
	Impact	Moderate		
Status		Treat		
Last update		5 May 2023		

SR10		Gatwick airport		AMBER
Description		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.		
Owner		Portfolio Holder	Cllr Michalowski	
		Officers	Luci Mould and Andrew Benson	
Controls		<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>		
Mitigating actions/progress		<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 Q1 2023/24.</p> <p>A new phase of engagement commenced in Q1 of 2022/23, which the Council continues to participate in, and is preparing for the DCO submission in Q1 of 2023/24.</p> <p>This risk will transfer over to the 2023/24 strategic risk register as SR9 'Gatwick Airport'.</p>		
Score	Likelihood	Possible	Direction of travel	-
	Impact	Moderate		
Status		Treat/tolerate		
Last update		25 April 2023		

SR11		Planning system reform		AMBER
Description		<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>		
Owner		Portfolio Holder	Cllr Michalowski	
		Officers	Luci Mould and Andrew Benson	
Controls		<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>		
Mitigating actions/progress		<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 has not taken forward a number of measures set out in the previous Planning for the Future White Paper.</p> <p>The implications arising from the Bill will be monitored and any action taken as necessary.</p> <p>A new National Planning Policy Framework consultation paper was published in Q3, with key updates outlining Central Government's amendments to the previous White Paper. The current proposals are now focusing on less radical changes to the planning system.</p> <p>This risk will transfer over to the 2023/24 strategic risk register as SR10 'Planning system reform'.</p>		
Score	Likelihood	Unlikely	Direction of travel	-
	Impact	Moderate		
Status		Treat		
Last update		25 April 2023		

SR12	Climate change impact		AMBER
Description	<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>		
Owner	Portfolio Holder	Cllr Moses and Cllr Michalowski	
	Officers	Cath Rose and Andrew Benson	
Controls	<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 both existing and new local plan.</p>		
Mitigating actions/progress	<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 introduced a Household Emergency Plan, which details what activities households can take to minimise impact from flooding or other extreme weather events. The plan has been published on the Council’s website for residents to use.</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 2022/23 edition of the annual Environmental Sustainability Strategy progress report was successfully delivered and considered by Overview & Scrutiny committee in 2022.</p> <p>Surrey County Council (SCC) are in the process of creating a climate change adaptation strategy, which is due to be adopted in 2023/24. The Council will continue to engage and seek advice from SCC on the wording and outcomes of this strategy.</p> <p>The Council approved the publication of the Strategic Infrastructure Programme. Part of this programme commits a portion of CIL funding to a series of infrastructure sustainability projects that the council is now committed to undertake.</p>		

SR12		Climate change impact		AMBER
		This risk will transfer over to the 2023/24 strategic risk register as SR11 'Climate change impact.'		
Score	Likelihood	More than likely	Direction of travel	-
	Impact	Moderate		
Status		Tolerate/Treat		
Last update		25 April 2023		