

Medway Council Strategic Risk Register - Quarter 3 2020/21

Ref	Page	Risk	Owner	Inherent Risk Score	Current Risk Score	Target Risk Score	Move ment (since last qtr)	Definition (current score) (L-likelihood) (I-impact)	Council Priority/ Ways of Working (WOW)	O&S Com mittee
SRO3B	4	Finances	Chief Finance Officer	AI	AI	CIII	→	L – very high I - catastrophic	All/WOW	BS
SR46	7	Medway’s Economic Recovery from Covid19	Assistant Director Regeneration (Recovery Lead Officer for Medway Council)	BII	BII	CII	→	L - high I - major	All/WOW	BS
SR09A	12	Changing Demographics of Older People and Working Age Adults	Director of People – C&A	AI	BII	DIII	→	L - high I - major	People	HASC
SR09B	16	Keeping vulnerable adolescents safe	Director of People – C&A	BII	BII	DIII	→	L - high I - major	People	CYP
SR26	21	Non-delivery of Children’s Services Improvement	Director of People – C&A	All	All	DIII	→	L – very high I - major	People	CYP
SR32	23	Data and information	Chief Legal Officer	BII	CII	DIII	→	L - significant I - major	All/WOW	BS
SR36	26	Alternative service delivery models	Chief Legal Officer, Chief Finance Officer	BII	BIII	CIII	→	L - high I - moderate	All/WOW	BS
SR37	30	Cyber Security	Chief Finance Officer	CI	CI	CI	→	L - significant I – Catastrophic	All/WOW	BS

SR39	36	Financial Pressures on SEN Budgets	Director of People – C&A	BII	BII	DIII	→	L - high I - major	People	CYP
SR02	39	Business continuity and emergency planning	Director of Place Chief Finance Officer	C1	DII	DII	→	L - low I - major	All/WOW	BS
SR17	42	Delivering regeneration	Director of Place	BII	BII	CII	→	L - high I - major	Growth	RCE
SR35	50	Homelessness	AD Culture and Community	BII	CIII	DIII	→	L - significant I - moderate	Growth	BS
SR47	53	Climate Change	AD Frontline Services	AII	AII	DIII	→	L – very high I - major	Place	RCE
SR49	57	Income Reduction due to Covid19	Chief Finance Officer	A1	BII	CII	n/a	L - high I - major	All/WOW	BS

Strategic Risk Profile

Key

Low risk/priority	Green
Medium risk/priority	Amber
High risk/priority	Red

	Minor impact IV	Moderate impact III	Major impact II	Catastrophic impact I
Very high likelihood A	Amber	Red	Red 26, 47	Red 03B
High likelihood B	Amber	Amber 36	Red 09B, 39, 17, 09A 46, 49	Red
Significant likelihood C	Green	Amber 35	Red 32, 48	Red 37
Low likelihood D	Green	Amber	Amber 02	Amber
Very low likelihood E	Green	Green	Amber	Amber
Almost impossible F	Green	Green	Amber	Amber

KEY | update

STRATEGIC RISK: SR03B FINANCES**RISK OWNER: CHIEF FINANCE OFFICER****PORTFOLIO: LEADER'S****Current Residual Risk Score AI (Likelihood – very high. Impact – catastrophic)**

Demographic pressures in adult social care, children's care and SEND remain a significant issue, but this has been further exacerbated by the impact of the Covid-19 pandemic. The Government has moved swiftly to address the in-year pressures, both in terms of direct expenditure and losses of income, but it is still not certain that this will be enough. It has also put in place a generous package of support for businesses and vulnerable people, which for now has insulated the economy from the worst effects – business failure and unemployment. The provisional settlement announced in December was pretty consistent with the Chancellor's one-year spending review in the Autumn. It identified the resources available to local authorities, including further funding to address the continued impact of the pandemic in the new year. Other than this, a major part of the increase in the Council's spending power came in the form of additional flexibility to raise additional council tax, through another round of the so-called 'adult social care precept'. The view across the sector, particularly upper tier authorities, is that the funding is still insufficient, and many authorities have indicated that they will need to use reserves to balance their 2021/22 budgets, with some continuing to highlight the risk of Section 114 notices. Against this challenging backdrop the residual risk remains at AI.

Inherent Risk Score AI

There continues to be a major risk over the Council's ability to deliver a balanced budget, whilst at the same time delivering good quality services to the people of Medway.

The move away from central support from Government and greater reliance on local taxation through council tax and retained business rates, whilst providing local authorities with the opportunity to benefit directly from growth, also brings with it significant risks to overall funding.

Target Residual Risk Score CIII

The objective of the medium term planning process is to forecast the budget 'gap' over a number of years, taking into account assumptions around demographic, inflationary and other pressures and projecting forward the future funding from council tax, business rates and Government grant.

Ultimately the aim would be to get to a position where the MTFs, through robust strategic plans, presents a balanced budget year on year, protecting and increasing reserves and providing assurance to the Council that its financial position is secure and sustainable.

There will always however be a significant residual risk, as the MTFs is based upon uncertain assumptions in respect of the Council's tax base, the Government's finances, demographic pressures, inflation, interest rates and the economic climate.

Trigger

The years of austerity and annual reductions in central support from Government, allied to the capping of council tax increases and culminating in the introduction of the business rate retention scheme. Allied with the demographic pressures in both adult social care and

STRATEGIC RISK: SR03B FINANCES

children's care, pressures in relation to homelessness and pressures on pay and prices, not least the national living wage, the outlook for local authority finance remains challenging, exacerbated by the impact of the Covid-19 pandemic.

Consequence

- Very difficult decisions around funding allocation.
- Service cuts.
- Quality of service compromised.
- Cutback in staffing on an already lean organisation.
- VFM Judgement.
- Negative local publicity.
- Damage to reputation.

Opportunities and the way forward

The key to improving the effectiveness of the Council's financial planning and management is to address the uncertainty around future funding and improve the forecasting of cost pressures. The failure of Central Government to articulate how it intends to ensure the sustainability of local government has made this task virtually impossible, however the Finance Management Team continue to work closely with colleagues within the Planning and Regeneration teams, with a view to more accurately projecting future council tax and business rates. The Covid-19 pandemic is likely to cause far-reaching impacts, not least on the Council's financial sustainability and has exacerbated how challenging it is to project future resources, however it has also offered an opportunity and impetus to radically review the types of services we offer and the way we provide them.

Finally, the Medium-Term Financial Strategy has, as its theme, financial resilience and sustainability, with a clear focus on managing and rebuilding reserves.

Strategic Risk SR03B Finances Mitigating Action SR03B.01: Need to ensure effective response to the spending review, but also lobbying for greater local powers to raise revenues

Lead Officer Chief Finance Officer

Desired Outcome: Expected Output

Co-ordinate responses with members, brief MPs, agree media campaign, solicit support from peer authorities/partnerships

Unmodified VFM opinion in respect of the adequacy of financial planning and effective budgetary control

Increased devolution of tax raising powers to the Council

The Covid-19 crisis has made meaningful longer-term planning impossible and so the sector continues to lobby for a meaningful long term spending review. Alas the Chancellor's decision not to deliver an Autumn Budget Statement is yet another blow to our financial planning process.

Strategic Risk SR03B Finances Mitigating Action SR03B.02: Align priorities and activity of the Council to resource availability through MTFS process

Lead Officer Corporate Management Team

Desired Outcome: Expected Output

Robust financial planning and management, ensuring financial risks are identified and managed effectively

Identification and delivery of a range of savings and income generating initiatives

Co-ordinate responses with members, agree media campaign, solicit support from peer authorities

Balanced budget with resources aligned to priorities, delivery of VFM and savings to ensure financial sustainability in the medium-term

Unqualified VFM Judgement - adequacy of financial planning, effective budget control, balanced budget and adequacy of reserves

Milestones

Medium Term Financial Strategy in Nov

Capital and Revenue budget agreed by Council in February

Progress update January 2021

Whilst still managing the Council's response to the pandemic, officers have also been working on recovery and it is very clear that the shape of Medway's economy and the way people work will be forever changed. The refresh of the Council Plan focuses on recovery over the next two years.

Strategic Risk SR03B Finances Mitigating Action SR03B.03: Create resources for investment priorities

Lead Officer Corporate Management Team

Desired Outcome: Expected Output

Track funding opportunities

Maximise capital receipts on asset disposal

Prudential borrowing

Revenue returns from investments and capital assets and appreciation in capital asset values

Progress update January 2021

We pushed back presentation of the Capital Strategy to Cabinet, alongside the MTFS in November, in order to align with our Recovery Strategy, which at its heart included investment in ICT, more decentralised working arrangements and a review of our operational property portfolio and our need for office accommodation in a post-Covid world.

Strategic Risk SR03B Finances Mitigating Action SR03B.04: Delivery of digital transformation programme
Lead Officer Transformation Board
<p>Desired Outcome: Expected Output</p> <p>Development of high-quality digital services</p> <p>Delivery of efficiency savings through enhanced processes</p> <p>High quality digital services and reduced service delivery cost</p> <p>Improved value for money in delivery of Council services</p>
<p>Progress update January 2021</p> <p>The significant pressures being experienced in both Children's and Adults Services represent the greatest risks to the Council's financial sustainability and so the Business Change Programme has been reprioritised to focus on improving processes, managing demand and reducing placement costs across Children's and Adults Social Care.</p>

STRATEGIC RISK: SR46 MEDWAY'S ECONOMIC RECOVERY FROM COVID-19
RISK OWNER: ASSISTANT DIRECTOR REGENERATION (RECOVERY LEAD OFFICER FOR MEDWAY COUNCIL)
PORTFOLIO: LEADER'S
<p>Current Residual Risk Score BII (Likelihood – high. Impact – major)</p> <p>While in many services the Council is still in response, focus is shifting towards an effective recovery. Strategic Planning is one of the three key workstreams in the Council's Strategic Recovery Plan, with a multi-agency cell for Medway's Economy and Infrastructure established and working closely with the Kent Resilience Forum equivalent.</p> <p>The council is delivering direct support for individuals and businesses as funded by the Government and continues to review delivery of core services where they can be of benefit to supporting the wider economy.</p> <p>The Council continues to lobby the Government for further support for local authorities, individuals, and businesses.</p>
<p>Inherent Risk Score BII</p> <p>Mandatory closures and ongoing social distancing requirements have created in an exceptionally challenging trading environment, resulting in significantly reduced trade, business failure, rising unemployment and reduced levels of disposable income.</p> <p>MHCLG stated throughout Covid-19 that they will support local authorities to deliver an effective response to Covid-19 and continue to provide core services and providing substantial packages of support for individuals, businesses and the public sector but may not continue such funding throughout the recovery. Income from Business Rates is a fundamental income stream to Medway Council; businesses failure to pay, or business collapse leaving void properties may significantly reduce income available for the Council, hampering its ability to deliver core services and support the wider economy successfully.</p> <p>There is a risk of further outbreaks, which the Government has handed powers to manage to local authorities. The Council has developed</p>

STRATEGIC RISK: SR46 MEDWAY'S ECONOMIC RECOVERY FROM COVID-19

a Local Outbreak Plan that may have to be mobilised and doing so would undoubtedly further impact on the Medway Economy.

Target Residual Risk Score CII

The risk of further waves, or prolonged local lockdown and the resultant adverse impact on Medway's economy cannot be avoided, rather the Council's action plan is designed to support the economy through any such measures and to improve long term resilience and business growth.

Trigger

On the 23 March the Prime Minister announced strict curbs on the movement of people for non-essential purposes to prevent the spread of Covid-19, and all non-essential shops and businesses were ordered to close to the public. The Government has been easing restrictions as the infection rate reduced, with segments of the economy able to return to business, however with significant alterations to ensure adequate social distancing. In early November a further national lockdown joined the Tier system (introduced in October) in increasing, rather than reducing restrictions. On 3 December, Medway entered Tier 3 – the highest level of restriction outside of national lockdown.

Consequence

The Economy and Infrastructure Recovery Cell has produced an impact assessment outlining the main consequences of Covid-19. 24 impact areas have been identified and some of the most acute include:

- Significant rise in unemployment with disproportionate effect on young people, part-time and entry level roles, and those with insecure contracts, women, and people in BAME communities
- Decreased apprenticeship vacancies and industrial placements
- Reduced strength of Medway's business base
- Accelerated decline of town centres and street markets
- Impact on supply chains
- Decreased relevance of Medway Council's strategic bases
- Digital inclusion / exclusion
- Sustainability of higher and further education, and its impact on place

Whilst the majority of the impact areas present risks to mitigate, there are some opportunities to be seized, as outlined below.

Opportunities and the way forward

- Commercial moves out of London – Medway as an attractive place to locate and do business.
- Rise in working from home / associated decline in commuting means residents spend more leisure and social time and money locally.
- Innovation Park Medway plans reshaped to support the post-Covid-19 economy.
- Opportunity to significantly advance digital inclusion for workers, learners and service users across Medway.

Strategic Risk SR46 Medway's economic recovery from Covid-19 Mitigating Action SR 46.01 Multi-agency Economy Cell and Infrastructure for Recovery established including liaison with the Kent Resilience Forum Economic Recovery Cell
Lead Officer Assistant Director Regeneration
<p>Desired Outcome: Expected Output</p> <p>Ensure Medway economy's objectives are adequately reflected at Kent and national level through the KRF. Oversee an effective multi-agency recovery plan for Medway.</p>
<p>Progress update. December 2020</p> <p>The Recovery Economy and Infrastructure Cell continues to meet regularly and has expanded its membership including a number of external partners. It has created two sub-groups, focusing on Commercial Moves from London, and Digital inclusion. It has agreed an Impact Assessment, and subsequently produced a wide-ranging and Economy and Infrastructure Recovery Action Plan. Both documents have been shared for consultation with Medway for Business, Chatham Town Centre Forum and the Place Board. The Economy and Infrastructure Cell is now in the process of discharging actions to lead agencies, with 22 of the identified 24 impact areas discharged. The Cell will receive regular updates on these impact areas and will continue to review impact and identify and capitalise on synergies.</p>
Strategic Risk SR46 Medway's economic recovery from Covid-19 Mitigating Action SR 46.02 Delivery of government-directed financial support to businesses and individuals
Lead Officer Chief Finance Officer
<p>Desired Outcome: Expected Output</p> <p>Support businesses to remain economically viable to reduce the number of business failures in Medway.</p>
<p>Progress Update: December 2020</p> <p>No update required</p> <p>Progress update. September 2020</p> <p>We have distributed the following in financial support to date:</p> <ul style="list-style-type: none"> • Council Tax Hardship Fund to reduce the liability for those in receipt of Local Support for Council Tax (LSCT) by a further £150 – we have distributed £1.327million. • Expanded Business Rates Retail discount to 100%, including leisure and hospitality sites and removing the Rateable Value cap, through which we have awarded £32.498million. • Grants for small businesses and retail, hospitality and leisure businesses - we have distributed £31.835million to date, with a further £1.848million distributed through the Discretionary Grants Scheme • Business Rates holiday for non-local authority nursery schools through which we have awarded £286,000. • During Q1 the Council designed and implemented the Local Authority Discretionary Grants scheme to assist small businesses affected by Covid-19. At the end of Q2, over £1.848m had been provided to 321 businesses.

Strategic Risk SR46 Medway's economic recovery from Covid-19 Mitigating Action SR 46.02 Delivery of government-directed financial support to businesses and individuals

Government has indicated the possibility for discretionary grant funding (but not confirmed) if there is further local or national lockdown of more than 3 weeks.

Strategic Risk SR46 Medway's economic recovery from Covid-19 Mitigating Action SR 46.03 Reopening High Streets Safely

Lead Officer AD Culture & Community

Desired Outcome: Expected Output

To support businesses in town centres to implement adequate social distancing measures to enable re-opening.

Progress update. December 2020

Multi-agency approach taken to manage the safe reopening of High Streets 4 July with plans discussed with police colleagues, with advice and guidance materials provided to businesses. The learning and processes developed will help inform subsequent lockdowns.

Allocation of £246,396 government grant announced. Programme document has been prepared detailing how expenditure has and is expected to be defrayed, and this was finally agreed by MCHLG early November 2020 with Funding Agreement letter issued.

We were unable to progress new project initiatives around business support, public art safety messaging and planters or claim for defrayed expenditure via quarterly claims until this agreement was received. This can now be progressed; however, there are insufficient staff resourcing, although lack of resourcing within the TCM team (due to vacancies) creates risk to delivery by end March 2021 and on-going financial monitoring. There is strict eligibility criteria restricting how the funding can be utilized and detailed financial and monitoring arrangements required to validate activities and claim appropriate expenditure. Currently c£200k forecast to be claimed including existing expenditure to date plus new project initiatives planned as above. Subsequent lockdowns may also incur additional expenditure.

Enforcement of Covid 19 restrictions in the retail sector and other commercial premises. The enforcement functions of the Authority have a statutory duty to manage the safe operation of specified commercial premises and any local or national closure obligations. This may create a pressure on the ability for the Authority to perform its wider statutory functions.

Strategic Risk SR46 Medway's economic recovery from Covid-19 Mitigating Action SR 46.04 Supporting Medway's businesses

Lead Officer AD Culture & Community

Desired Outcome: Expected Output

To encourage and help facilitate the growth of businesses in Medway.

Progress update. December 2020

The council continues to contract Locate in Kent who have adjusted their working practices to support those businesses who have been adversely affected by Covid-19 and encourage continued inward investment from business outside Medway.

The Kent and Medway Growth Hub (from by Kent Invicta Chamber of Commerce) have introduced a Covid-19 Business Advice line by

Strategic Risk SR46 Medway's economic recovery from Covid-19 Mitigating Action SR 46.04 Supporting Medway's businesses

phone and Webchat.

Rent deferrals were agreed for businesses in Council owned workspaces including ICM and Pentagon Centre and are now being reclaimed over the next 12 months.

The Council have developed a policy for the Additional Restrictions Grant (ARG) to support businesses during national lockdown restrictions. The ARG grant application, assessment and monitoring process was developed and launched in November to support businesses that were impacted by the 5 November to 2 December 2020 national lockdown. The deadline for applications is 6 January 2021. This may need to be extended if take up of grants is low or because of impacts arising from Tier 4 restrictions and/or any additional national lockdowns into 2021. Additional work needs to be undertaken to determine and develop the business support element of the ARG policy.

Due to limited ED resources, there is a lack of capacity to undertake some of the ED workstreams and an on-going list of those affected is being maintained and reported to the AD/Director.

Strategic Risk SR46 Medway's economic recovery from Covid-19 Mitigating Action SR 46.05 Supporting residents' skills and employability

Lead Officer AD Culture & Community

Desired Outcome: Expected Output

Increasing high value businesses, high quality employment and creating jobs and inward investment

Progress update. December 2020

The majority of Skills & Employability projects have resumed, notably the Supported Employment Programme in August and Apprenticeship Advice Service in September. Medway are heavily involved in the Kent and Medway Employment Taskforce which is responding to a growing employment crisis. The Taskforce action plan is in the final stages of sign off and will be formalized in 2021. The Skills & Employability plan will be reviewed considering COVID-19 when data from the ending of furlough can be analysed.

Medway Adult Education has remained open during the second lockdown. Enrolments are continuing to be steady at approximately 40-50% of last year: adherence to social distancing regulations, has reduced classrooms to 50% capacity. The online offer continues to develop and grow.

Strategic Risk SR46 Medway's economic recovery from Covid-19 Mitigating Action SR 46.06 Review Medway Council's Strategy base, and resultant regeneration and other programmes to ensure clarity of focus on delivery of economic growth

Lead Officer Corporate Management Team

Desired Outcome: Expected Output

Effective focus of Council resources and activities that support delivery of economic growth in Medway

Strategic Risk SR46 Medway's economic recovery from Covid-19 Mitigating Action SR 46.06 Review Medway Council's Strategy base, and resultant regeneration and other programmes to ensure clarity of focus on delivery of economic growth

Progress Update. December 2020.

Work is ongoing within Medway's Economy and Infrastructure Recovery Cell and its Kent counterpart to establish a rounded understanding of recovery requirements, including the establishment of an evidence base (due to be updated in early 2021). This will be reflected in the forthcoming update to Medway 2035 (working title *Medway 2037*).

Consultants SQW, in partnership with Oxford Innovation, were commissioned to review proposals for the Gateway Building at Innovation Park Medway in the light of Covid-19, to ensure they remain appropriate for the next economic context. The outline findings are that the Gateway Building and wider IPM will be a useful tool in Medway's economic recovery. A series of recommendations were made and are being implemented.

We remain in regular dialogue with SELEP regarding the impact of Covid-19 on Medway's £40m programme of Local Growth Fund (LGF) and Growing Places Fund (GPF) investment, with no major impediments to delivery identified to date.

Strategic Risk SR46 Medway's economic recovery from Covid-19 Mitigating Action SR 46.07 Continue to lobby government to maximise support and opportunities for Medway

Lead Officer Corporate Management Team

Desired Outcome: Expected Output

Sustainable funding for Medway Council and an improved business rates regime to support businesses.

Progress Update. December 2020.

No update required

Progress update. July 2020

The Council has responded to request for financial forecasts by the MHCLG setting out pressures anticipated and has engaged with officers from the Department to make a clear case for further financial support for local authorities.

We will actively participate in the consultations emerging around the Government's Spending Review and the future of local taxation frameworks.

STRATEGIC RISK: SR09A Changing Demographics of Older People and Working Age Adults

RISK OWNER: Director of People – Children and Adults Services

PORTFOLIO: Adults'

STRATEGIC RISK: SR09A Changing Demographics of Older People and Working Age Adults

Current Residual Risk Score BII (Likelihood – high. Impact – major)

We are seeing an increase in demand on the service following COVID 19 and we have managed to recruit more permanent workers within the workforce; whilst this is good we won't see immediate benefits until these have been upskilled and as a result we are reducing the number of high cost agency workers.

We are seeing significant pressures within discharge supporting MFT.

We are seeing pressures on the mental health and morale of current workforce. As a result of inability to recruit permanent staff we are using overtime payment to cover 7 day working at the integrated discharge team.

There is current reduced uptake of providers in the market, across residential/nursing accommodation, homecare and day care which will cause instability in the market overall as we emerge from COVID-19 meaning that might not be able to meet changing demand as we move forward.

Payments to providers for vacancies and in light of decreased occupancy due to social distancing and COVID compliancy

Increase in demand for mental health services and the cost implications associated with this.

Discharge to residential and nursing accommodation has been funded by COVID budgets currently.

Following changes to the COVID funding which is now funded by the NHS up to six weeks from the 1st September, we have seen an increase on budget pressure.

Inherent Risk Score AI

There are challenges to the demand-led care services within Medway. The population of older people is set to dramatically increase and as is the complexity of need of working age adults including those that transition from Children's services

Target Residual Risk Score CII

Close working relationships with providers maintained to ensure financial stability

Work with providers to ensure COVID positive patients are discharged home and appropriately isolated

Reduced workforce vacancy and reduced reliance on agency staffing

Trigger

- The Council is unable to address these issues with cost effective, innovative solutions
- Increase in demand on the service (incl. Mental Health Service)
- Lack of permanently skilled workers within the workforce which is leading
- Reduced provider capacity
- Financial sustainability of the market – as occupancy drops in care homes drops less viability.

Consequence

- Increased resources required to run the service.
- Significant budget overspends.
- Savings unachievable.

STRATEGIC RISK: SR09A Changing Demographics of Older People and Working Age Adults

- Money drawn from other services.
- Costs spiral.
- Reductions in service level the council can offer.
- Revenue problems not resolved by capital investments.
- Adverse effect on staff morale affected.
- Adverse effect on assessments.
- Council may be required to make unpopular decisions.
- Councils finances comprised.
- High costs placements as providers will have no choice but to up their fees.
- Residents and Day Care providers may close due to not being financially viable in when and if needed.
Due to staff unavailability we are seeing a pressure within the Domiciliary Care market..

Opportunities and the way forward

Capital investment to help manage demand

Service redesign in terms of outcomes

Reclaiming of Direct Payments

Working with providers as we emerge from COVID – improving relationships etc.

Strategic Risk SR09A Changing Demographics of Older People and Working Age Adults Mitigating Action SR 9a.01 Recruit to workforce vacancies (both Adult Social Work teams and Business Ops and Provider Services)

Lead Officer Head of Locality Services. Head of Business Operations and Provider Services

Desired Outcome: Expected Output

Appoint to all the vacant posts reducing the reliance on agency costs

Progress update. December 2020

We have been successful in recruiting to 15 frontline Social Work posts all due to take up post by end of December.

We have successfully recruited to vacancies within the ART team.

Ongoing recruitment campaign focusing on recruiting permanent staff to integrated discharge team.

Strategic Risk SR09A Changing Demographics of Older People and Working Age Adults Mitigating Action SR 9a.02 Working with strategic partners to establish integrated working

Lead Officer Head of Locality Services. Head of Business Operations and Provider Services

Strategic Risk SR09A Changing Demographics of Older People and Working Age Adults Mitigating Action SR 9a.02 Working with strategic partners to establish integrated working

Desired Outcome: Expected Output

Delivery of a wraparound 7 day service

Progress update. December 2020

Working to implement the new Discharge to Assess model introduced by Government on 1st September.

Strategic Risk SR09A Changing Demographics of Older People and Working Age Adults Mitigating Action SR 9a.03 Maintain strong relationships with providers

Lead Officer Head of Adults' Partnership Commissioning and Better Care Fund

Desired Outcome: Expected Output

Improved communication across the system

Manage demand

Progress update. December 2020

We are liaising with providers through the use of the Medway Care Portal, Provider Forums, dedicated redeployed ASC resource to review trackers daily, strategically reviewed by Commissioning weekly.

Strategic Risk SR09A Changing Demographics of Older People and Working Age Adults Mitigating Action SR 9a.04 Map and monitor intelligence across the market

Lead Officer Head of Adults' Partnership Commissioning and Better Care Fund

Desired Outcome: Expected Output

Manage demand

Progress update. December 2020

We have the following tools in place to ensure that we are monitoring data and intelligence across the market.

- Medway Care Portal
- Provider Forums
- Daily review of the tracker from ASC

Weekly review of the tracker from Commissioning

Strategic Risk SR09A Changing Demographics of Older People and Working Age Adults Mitigating Action SR 9a.05 Review and adjust service levels and placement costs as appropriate

Lead Officer Head of Locality Services. Head of Business Operations and Provider Services

Desired Outcome: Expected Output

All unspent Direct Payments are reclaimed

Nursing and residential placements made during COVID are reviewed with a view to reducing current weekly spent to that of our band prices

Amount of enablement increased to better manage demand and discharge from hospital

Better use of in-house mental health provision

Progress update. December 2020

The direct payments audit team have commenced audits

The targeted review team have reformed to focus on the reduction of expensive placements.

Re-focussing on enablement to help us better manage demand.

Focus on accommodation options for service users with mental health issues.

Work is underway to establish a new community based mental health offer.

STRATEGIC RISK: SR09B Keeping vulnerable adolescents safe

RISK OWNER: Director of People – Children and Adults Services

PORTFOLIO: Children's Services (Lead Member) and Education and Schools

Current Residual Risk Score BII (Likelihood – high. Impact – major)

Currently Domestic Abuse and Gang culture are led on a Kent and Medway footprint. These are triaged at the Front Door and CSE cases discussed at the Missing and Exploitation panel.

The Youth Justice Partnership, chaired by the Director of Public Health, have drafted a strategic plan outlining the period 2020-2023. It has been coproduced with a range of stakeholders, including the Youth Justice Partnership Board (YJPB) members and the Young People's Advisory Group (YPAG). The content and specific actions in the plan have also been informed by a review of national research and evidence of best practice taken from other comparable Youth Justice Partnership Boards around the country.

Inherent Risk Score BII

There are several different factors affecting vulnerable adolescents in Medway. These include CSE, Gang Culture, Offending and Re-offending, growing up in the care system without proper transition to adulthood.

The Council as a Corporate Parent has a responsibility to those within its care, but ultimately a responsibility to ensure that Medway is an environment where adolescents grow up in a safe place free from these adverse situations.

STRATEGIC RISK: SR09B Keeping vulnerable adolescents safe
Target Residual Risk Score DIII

Decreasing levels of reoffending.

Reduced prevalence of gangs in Medway.

Decreasing cases of domestic violence and CSE concerning adolescents.

Trigger

- Rising rates of reoffending within 16-18-year olds
- Increasing rates of young people entering care in adolescence
- Lack of preventative services and earlier interventions

Consequence

- Higher levels of neglect and safeguarding incidents in Medway
- At risk of joining gang culture
- At risk of offending and jail
- Stigma of being a care leaver and effects of lower education levels

Opportunities and the way forward

- Investment in edge of care / Adolescent service from the sufficiency strategy
- Capital investment for the Elaine centre to create an integrated multi-disciplinary offer for adolescents
- Reunification / activity residential unit for Adolescents from the investment via the sufficiency strategy
- Attendance at multi agency Kent and Medway meetings specifically focusing on exploitation / gang culture
- Funding gained for Salus projects; prevent / protect agenda
- The creation of the adolescent service and building on the team

Strategic Risk: SR09B Keeping vulnerable adolescents safe Mitigating Action SR 09b.10: Ensuring early intervention to address risk and vulnerability factors to build upon strengths preventing young people going from being at risk of offending to becoming established offenders.

Lead Officer: Director of Public Health. Head of Children's Commissioning and Youth Justice

Desired Outcome: Expected Output

The rate of first-time entrants to the criminal justice system declines.

The rate of NFA reduces.

Early Help referral increase from the Police (Police complete an Early Help Assessments) and reduction in safeguarding referrals from the Police.

Strategic Risk: SR09B Keeping vulnerable adolescents safe Mitigating Action SR 09b.10: Ensuring early intervention to address risk and vulnerability factors to build upon strengths preventing young people going from being at risk of offending to becoming established offenders.

Increase referral into NELFT and improved access and intervention pathways.

Schools report less fixed term exclusions, improved attendance and behaviour of those students identified as at greatest likelihood of offending.

Fewer looked after children and care leavers will become involved in the criminal justice system.

Reduction in young people that are NEET.

Progress Update

Youth Offending Team

FTE and Reoffending rates remain very positive. Medway YOT also successful with funding in relation to 2 pathfinder bids. 1) Child First. 2) Resettlement. Although custody rate is good, the work around resettlement needs to significantly improve. New process has been agreed but yet to see the impact of this work.

- Medway YOT remains without any performance or intelligence support leaving both limited analytical work or performance being addressed and this is also a HMIP inspection risk.

NELFT

In relation to community pathways, assessment and treatment times have reduced significantly. A concern though is the work through the neurodevelopment pathway. A task group is looking at this further, we are hoping to be successful with some additional resources through NHSE and CCG are supporting a programme to focus on this wicked issue.

We have also agreed an additional resource to support the YOT and the adolescent service with a MH worker.

Education Training and Employment:

Children attending School remains positive. The area of concern related to those 16 + and NEET. There are 142 less places for children to access alternative provision. Medway has Mid Kent College and Nacro. Medway YOT had to develop its own programme with YS and prices trust/ partners to deliver an accredited programme of work. Exclusions have reduced and good working relationship in place with Rowans, Will Adams and Gillingham FC alternative provision for those -16.

Safety and wellbeing/ exploitation:

New post out to advert with Children's Services to better support those at risk of exploitation.

Additional resources agreed for project salus and floating support with those children we have concerned in relation to their impact of exploitation/ reoffending. Medway Task Force and the Police continue to support the YOT in managing risk, safety and wellbeing. Joint

Strategic Risk: SR09B Keeping vulnerable adolescents safe Mitigating Action SR 09b.10: Ensuring early intervention to address risk and vulnerability factors to build upon strengths preventing young people going from being at risk of offending to becoming established offenders.

panel ensuring we are managing risk.

Strategic Risk SR09B Keeping vulnerable adolescents safe Mitigating Action SR 09b.11 Prevent and reduce domestic abuse across communities and ensure that when Young People experience abuse, they can access the help and services they need.

Lead Officer Director of Public Health. Interim Assistant Director Children Social Care Public Health. Interim Assistant Director Children Social Care

Desired Outcome: Expected Output

Lower number of incidents of DA

Progress update. December 2020

Commissioned service saw a significant increase in referrals post lockdown. Whilst this was anticipated and planned for, the numbers were higher than expected. We have provided additional investment for temporary posts to meet the needs of victims.

The programmes delivered by Choices (commissioned service) targeted at CYP at risk of DA or CSE (Loves me, Loves me Not and Guiding Lights) have not been delivered during COVID pandemic due to school closures. Service is still experiencing reluctance from schools to deliver these classroom-based interventions citing lack of space and infection control concerns.

PathWay which is a PCC funded therapeutic intervention for CYP who have lived with DA continues to operate

Discussions started with Social Care to see how DA support can be embedded within the Adolescent Service

Strategic Risk SR09B Keeping vulnerable adolescents safe Mitigating Action SR 09b.12: Protect and prevent young people from becoming involved with gangs; to tackle gang-related harm and youth violence; and to pursue effective enforcement action to deal with those embroiled in gang activities.

Lead Officer Director of Public Health. Interim Assistant Director Children Social Care

Desired Outcome: Expected Output

Lower number of young people entering youth justice setting

Lower number of young people at risk of gang activities

Progress update. December 2020

The adolescent team has a full complement of staff and are soon to recruit an additional team manager and two further early help workers to strength the offer and management oversight of risk. Work with partners continues to create a multi-agency offer aiming to provide a wraparound service for young people when needed. The works on the Elaine Centre have progressed with pace and the aspiration is for

Strategic Risk SR09B Keeping vulnerable adolescents safe Mitigating Action SR 09b.12: Protect and prevent young people from becoming involved with gangs; to tackle gang-related harm and youth violence; and to pursue effective enforcement action to deal with those embroiled in gang activities.

the adolescent service, care leavers, IAG and partners to come together in one setting by April 2021.

Communication and relationships between the adolescent team and partners, including Medway Task Force, VRU, MCET and health continue to improve, which will in turn improve outcomes for young people.

Strategic Risk SR09B Keeping vulnerable adolescents safe Mitigating Action SR 09b.13 Improve access to health, education, accommodation and training for care leavers

Lead Officer Interim Assistant Director Children Social Care

Desired Outcome: Expected Output

Increase in percentage of care leavers in EET

Increase in % of care leavers living in appropriate accommodation

Milestones:

Increase in number of care leavers undertaking apprenticeships or employed by Council and partners

Implement a rolling programme of apprenticeships and employment opportunities for care leavers

Work with commissioning and housing colleagues to source and oversee appropriate accommodation for care leavers to ensure they can live independently if they are ready to do so.

Develop a separate care leavers service and review the operational model, considering a 16+ team

Progress update. December 2020

The Employment Event took place in October 2020 and was overall a success. It was an informative event for businesses to learn more about how businesses can provide opportunities and support Medway's Care Experienced Young Adults (Care Leavers). Also, to discover how businesses can make a difference and benefit from the Chancellor's employment initiatives and to give young people a chance to unearth undiscovered talents.

The afternoon was a virtual jobs fair, where young people were given access to computers, and attended video interviews with employers. There have been some confirmed job opportunities come about as a result. We have also had local businesses offering further opportunities to young people such as work experiences and further employment support such as offering workshops on making job applications. There has also been sign up of local businesses to the Care Leaver Covenant.

We are working with the job centre and Daniel Ratcliff to progress those eligible for the Kickstart scheme.

The Facebook page continues to be updated with ETE opportunities and support services.

158 young people remain in Suitable Accommodation. 12 young people are in prison.

Strategic Risk SR09B Keeping vulnerable adolescents safe Mitigating Action SR 09b.14 Manage latent Demand COVID19
Lead Officer Assistant Director – Children’s Social Care & Early Help
Desired Outcome: Expected Output As robust response to COVID19, the Council has the capacity and capability to improve and sustain improvement to its services
Milestones: Service has capacity of workforce to meet increased and pent-up demand – short and long term
Progress Update. December 2020 COVID spike has not materialized to date. Contacts and referrals have gone up since schools have returned but are all manageable and there are close working relationships with schools. Additional commissioned external team is helping to ensure manageable caseloads.

Strategic Risk SR09B Keeping vulnerable adolescents safe Mitigating Action SR 09b.15 Ensure sufficient Workforce Capacity
Lead Officer Assistant Director – Children’s Social Care & Early Help
Desired Outcome: Expected Output Recruitment and retention of staff, the Council has the capacity and capability to improve and sustain improvement to its services.
Milestones: Workforce stabilised, agency staff and turnover of permanent staff reduced
Progress Update. December 2020. No update required
Progress Update. September 2020 The Workforce Development Strategy and supporting plan was presented at Children’s Improvement Board. Emperor have been commissioned to take forward the rebranding of the recruitment campaign. Feedback will be given in other governance.

STRATEGIC RISK: SR26 Non-delivery of Children’s Services Improvement
RISK OWNER: Director of People – Children And Adults Services
PORTFOLIO: Children’s Services (Lead Member)
Current Residual Risk Score All (Likelihood – very high. Impact – major)
The commissioner’s first report was been published in December 2019, which recommended a further six months of commissioner

STRATEGIC RISK: SR26 Non-delivery of Children's Services Improvement

intervention pending final decision. A further report from the commissioner to the Secretary of State was made in July 2020 and a final report²² is expected in December 2020. Ofsted carried out a Monitoring Visit in August 2020 which acknowledged progress against the plan, although improvements were yet to be fully embedded. No children were found to be at risk of harm.

Inherent Risk Score All

We aspire to deliver good and outstanding services that keep children and young people safe and give them the right help, at the right time in their lives. In doing this, we will show strong leadership, we will challenge performance, we will ensure the right level of resources are allocated and used efficiently, and we will build a culture of continuous reflection and improvement. However during Ofsted's July 2019 inspection of our services, it found that we were not providing these outcomes to a satisfactory level.

Our Children's Services Improvement Action Plan has been developed in response to the formal recommendations and improvement areas highlighted by Ofsted during their 'Inspection of Local Authority Children's Services (ILAC)' which took place from 8 July 2019 to 26 July 2019. The plan was refreshed and updated in July 2020 to reflect the progress made and to set out the priorities for the coming year. This is a key corporate priority, and we are fully committed to working with our partners to deliver this plan and achieve more positive outcomes for children and young people in Medway.

Target Residual Risk Score DIII

Improvement is made at pace and is deemed to be sustainable in order that control of the service remains in control of the council

Trigger

Non-delivery of appropriate and rapid enough improvement following the poor Ofsted inspection rating.

Consequence

The Council loses control of the service. The Commissioner, in cooperation with the DfE, agrees an alternative delivery model and structure such as Children's Services being delivered by a neighbour

Opportunities and the way forward

Progressing into the next stage of the Improvement Plan and evidencing that outcomes for children and families are improved.

Strategic Risk SR26 Non-delivery of Children's Services Improvement Mitigating Action SR26.14 Successful delivery of the Improvement Plan

Lead Officer Assistant Director – Children's Social Care & Early Help

Desired Outcome: Expected Output

The Council has improved the service to the level required by the Children's Commissioner, DfE and Ofsted

Milestones

Workforce stabilised, agency staff and turnover of permanent staff reduced

Strategic Risk SR26 Non-delivery of Children’s Services Improvement Mitigating Action SR26.14 Successful delivery of the Improvement Plan

Performance indicators and audits show continuous improvement
 Quality of intervention is consistently meeting standards
 Partners working together to deliver on shared objectives for Medway’s children

Progress update. December 2020

Progress updates to the Improvement Board have shown that caseloads have reduced, enabling more purposeful work to be undertaken. The number of children subject to a Child Protection Plan has dropped from a high of 465 to 200. Staff recruitment and retention is improving with a reduction in the use of agency staff from 29% to 21% and this is expected to reduce further over the next six months.

STRATEGIC RISK: SR32 Data and Information

RISK OWNER: CHIEF LEGAL OFFICER

PORTFOLIO: RESOURCES

Current Residual Risk Score CII (Likelihood – significant. Impact – major)

The Council has a Senior Information Risk Officer (SIRO) and a Caldicott Guardian.
 The Council has a Data Protection Officer.
 The Council manages information risk through a Security and Information Governance Group (SIGG).
 The Council has a suite of information governance policies.
 The Council has information sharing agreements and protocols in place.
 The Council has taken part in a “Big Data” project without any risks materialising.
 Training to all officers and to Members is being rolled out successfully.

Inherent Risk Score BII

Our Transformation Programme involves an increased reliance on digital technology both for customers and the Council. This brings with it an increased information risk particularly regarding personal and health data.
 Conversely not sharing information with partners and others minimises the Council’s ability to improve service delivery and reduce costs. There is also a duty to share information in the interests of client care (Caldicott 2 Report).
 Local Authorities are required to achieve Level 2 on the Information Governance toolkit; however, opportunities to improve the Council’s position with respect to the IG toolkit requirements have been identified. Failure to achieve level 2 will mean that Medway Council will lose its trusted partner status with respect to the Kent and Medway information sharing agreement.
 Greater flexibility for the workforce using digital tools brings risk.
 Greater availability of information from the Council brings risk.

STRATEGIC RISK: SR32 Data and Information
<p>Target Residual Risk Score DIII</p> <p>Human error is completely eradicated from data and information scenarios. Data breaches are very rare and when it occurs corrective action is taken quickly, learning implemented and accountability for future improved performance identified. Information sharing is commonplace and well managed.</p>
<p>Trigger</p> <ul style="list-style-type: none"> • Budget pressures • ICO Audit reveals areas for improvement • Digital Strategy • Big Data project with academics • Annual information governance toolkit submission
<p>Consequence</p> <ul style="list-style-type: none"> • Data loss leads to damage to reputation. • Not achieving cost efficiencies through Digital Strategy changes • Failing to achieve Members' expectations. • Failing to find new innovations • Failing to deliver good quality care for residents of Medway
<p>Opportunities and the way forward</p> <p>January 2021</p> <p>Data and information sharing has been a key part of the pandemic response with partners across the Kent Resilience Forum</p>
<p>Strategic Risk SR32 DATA AND INFORMATION MITIGATING ACTION SR32.01: The Council has a Senior Information Risk Owner (Chief Legal Officer) and a Caldicott Guardian (Director of People) and in time for the General Data Protection Regulation also a Data Protection Officer (the Information Governance Manager)</p>
<p>Lead Officer Chief Legal Officer</p>
<p>Desired Outcome: Expected Output</p> <p>To ensure that appropriate organisational safeguards are in place for sharing information. Information governance policies and procedures are available on the intranet. Privacy Impact Assessments (PIAs) ISAs and Standards Operating Procedures (SOPs) also exists detailing roles and responsibilities</p>
<p>Progress update. January 2021</p>

Strategic Risk SR32 DATA AND INFORMATION MITIGATING ACTION SR32.01: The Council has a Senior Information Risk Owner (Chief Legal Officer) and a Caldicott Guardian (Director of People) and in time for the General Data Protection Regulation also a Data Protection Officer (the Information Governance Manager)

The information Governance Team are continuing to work with colleagues to maintain appropriate levels of safeguard including with those teams who are predominantly home working.

Strategic Risk SR32 DATA AND INFORMATION MITIGATING ACTION SR32.02: Information Sharing Agreement (ISA) for Kent

Lead Officer Chief Legal Officer

Desired Outcome: Expected Output

Provides the basis for ISAs within Kent organisations and outside PIAs, ISAs and SOPs and where appropriate Data Licence Agreements.

Progress update. January 2021

Project specific ISAs etc. have continued to be used during the Covid-19 pandemic as work with partner organisations across the Kent Resilience Forum has taken place under the Civil Contingencies Act including about the impact on Dover and Kent of the exit from EU.

Strategic Risk SR32 DATA AND INFORMATION MITIGATING ACTION SR32.03: Security and Information Governance Group (SIGG)

Lead Officer Chief Legal Officer

Desired Outcome: Expected Output

Providing a corporate overview of all information risk across projects and initiatives
Minutes of SIGG meetings attended by representatives from Public Health, RCET and C&A Departments.

Progress update. January 2021

The Information Governance team and the SIGG has continued to operate to provide a corporate overview of this area unaffected by the Covid-19 pandemic, due to the ability to conduct remote meetings.

Strategic Risk SR32 DATA AND INFORMATION MITIGATING ACTION SR32.04: Meetings between Senior Information Risk Officer (SIRO) and Caldicott Guardian on specific risks

Lead Officer Chief Legal Officer

Desired Outcome: Expected Output

Good regular engagement to discuss risk areas
PIAs, ISAs and SOPs co-signed where relevant

Strategic Risk SR32 DATA AND INFORMATION MITIGATING ACTION SR32.04: Meetings between Senior Information Risk Officer (SIRO) and Caldicott Guardian on specific risks

Progress update. January 2021

Both the Caldicott Guardian and the SIRO sit on the Council's Gold Command and therefore have been able to consider and discuss any specific issues in that context, to ensure that the Council's response has not been impeded or the delivery of services to vulnerable customers.

STRATEGIC RISK: SR36 Alternative service delivery models

RISK OWNER: Chief Legal Officer **CHIEF FINANCE OFFICER**

PORTFOLIO: LEADER'S

Current Residual Risk Score BIII (Likelihood – high. Impact – moderate)

All alternative delivery models are required to produce business cases that are considered at Corporate Management Team and then by Cabinet.

The performance of these models is regularly reviewed by Cabinet and scrutinised by the relevant Overview and Scrutiny Committee.

Where issues arise these can also be discussed at Corporate Management Team, where this is a standing agenda item.

Underperformance is identified by client-side officers or Members and mitigating action is taken or expected.

The effect of the action to date has been to develop a smooth transition and improve working relationships and clarify and confirm savings and consequences. This policy change has been a challenge to both parental expectations and operational processes and response.

Inherent Risk Score BII

A growing number of council services are operated through alternative delivery models including outsourcing/insourcing, trusts, joint ventures, Local Authority Traded Companies, partnerships and shared services and joint commissioning.

The primary driver for entering into such models is typically to reduce costs while protecting service delivery and building resilience.

A lack of robust management of these delivery models can lead to underperformance. The new models have increased and more complex governance arrangements than traditional in-house delivery.

Weak or ineffectual oversight / management / monitoring by the council as expertise is transferred to the new delivery model.

Failures in governance that expose untreated risk.

Target Residual Risk Score CIII

Ultimately as these alternative deliver models embed, the Council will be looking for increased revenue income and higher levels of performance.

Trigger

Weak options appraisals/businesses cases; opportunities overstated as commercial markets are not realised, and risks understated.

STRATEGIC RISK: SR36 Alternative service delivery models

Failure to effectively manage (staffing, relationships, agreements/contracts) the transition between the council and the service delivery model.

Limited due diligence conducted on new service provider or key individuals in that provider.

Weak or unclear agreements/contract and governance arrangements.

Failure of a provider, risking failure to deliver services

Consequence

- Failure to meet statutory responsibilities to residents.
- Unexpected costs from new delivery model.
- Delivery model not sustainable; responsibility for delivery of function unexpectedly transfers back to the council.
- Reputation of council damaged by activities of delivery model.
- Council or delivery model expectations not met by new arrangements.
- No option to renegotiate terms if circumstances change.
- Reduced influence / control of the council.
- Delivery model operates at a loss with deficit met from local taxation

Opportunities and the way forward

A Covid-19 lessons learned exercise has been carried out, and this included identifying opportunities for the alternative delivery models.

Strategic Risk SR36 Alternative service delivery models Mitigating Action SR36.01: Robust options appraisals, detailed business cases prepared

Lead Officer Relevant Assistant Director for each Service

Desired Outcome: Expected Output

Ensure effective decision making

The council only enters into arrangements that are beneficial to the service and/or budget and are sustainable

Milestones

Cabinet considers all business cases prior to any alternative arrangements being agreed

Progress update. January 2021

Business Plan updates have been provided by Medway Development Company (MDC) and Medway Commercial Group (MCG) to Cabinet in the previous quarter. This has included the return by MCG of Education Traded Services to the Council after a review. This has also included the commissioning of MDC by the Cabinet to complete an affordable housing scheme at Queens Street in Chatham.

Strategic Risk SR36 Alternative service delivery models Mitigating Action SR36.02: Project management approach to implementation
Lead Officer Relevant Assistant Director for each Service
Desired Outcome: Expected Output Clear agreed milestones for implementation in agreed timescale Smooth transition into new delivery model.
Progress update. January 2021 The return of Education Traded Services by Medway Commercial Group to the Council has been appropriately project managed. Regular reports of the activity of Medway Norse, Medway Commercial Group and Medway Development Company Limited are provided to internal project Boards, Cabinet and Scrutiny Committees.
Strategic Risk SR36 Alternative service delivery models Mitigating Action SR36.03: Communication & stakeholder management
Lead Officer Relevant Assistant Director for each Service
Desired Outcome: Expected Output Stakeholders informed / consulted Smooth transition into new delivery model
Progress update. January 2021 The return of Education Traded Services to the Council by Medway Commercial Group is involving stakeholder consultation.
Strategic Risk SR36 Alternative service delivery models Mitigating Action SR36.04: Sound legal and procurement advice on chosen delivery model
Lead Officer Chief Legal Officer
Desired Outcome: Expected Output Robust agreements / contracts with clarity over responsibilities Smooth operation of services, effective dispute resolution
Progress update. January 2021 Legal and procurement advice is provided by the Council's in-house teams when needed on any substantive changes, including where needed specialist legal advice.

Strategic Risk SR36 Alternative service delivery models Mitigating Action SR36.05: Robust scrutiny / oversight mechanisms to ensure clear corporate understanding

Lead Officer Corporate Management Team

Desired Outcome: Expected Output

Delivery model and council held accountable for quality and cost of service

Council able to rely on financial information for robust financial planning

High performance

Financial resilience

Progress update. January 2021

In the last quarter reporting has taken place to Cabinet and Scrutiny Committees.

Strategic Risk SR36 Alternative service delivery models Mitigating Action SR36.06: Reporting from and on delivery models with clear outcomes

Lead Officer Relevant Assistant Director for each Service

Desired Outcome: Expected Output

Effective performance management

High or improving performance of delivery model

Progress update. January 2021

In the last quarter reporting on performance has taken place to Cabinet and Scrutiny Committees.

Strategic Risk SR36 Alternative service delivery models Mitigating Action SR36.07: Business continuity arrangements

Lead Officer Chief Finance Officer

Desired Outcome: Expected Output

Delivery model and council both have clear roles and responsibilities in the event of any business continuity incident and Continuity of service

Progress update. January 2021

Learning on business continuity plans has been possible during the pandemic, not least in the two lockdowns, when operational decisions and reviews have been needed in the three principle alternative delivery models.

STRATEGIC RISK: SR37 Cyber Security
RISK OWNER: CHIEF FINANCE OFFICER
PORTFOLIO: RESOURCES
Current Residual Risk Score CI (Likelihood – significant. Impact – catastrophic)
<p>The council manages cyber security risk, along with general information security risk, by having robust policies and procedures in place. These policies and associated actions are audited internally and externally with the result reported to appropriate council committees. In addition, the council is accredited against the Public Service Network code of connection criteria that provides assurances that the ICT infrastructure is managed and monitored using methods commensurate with recognised good practice and the guidance issued by CESG. The recent ICT structure has put in place a dedicated ICT Network and Cyber Security Manager. This has ensured that ICT has a senior manager responsible for security who is constantly monitoring the system for potential threats and ensuring PCN compliance. All required certifications/accreditations are in place and being constantly reviewed.</p>
<p>Inherent Risk Score CI</p> <p>As there are no mitigations that are completely effective against malware infection, we should develop a defence-in-depth strategy for the organisation. This consists of multiple layers of defence with several mitigations at each layer. This will improve resilience against malware without disrupting the productivity of services. These layers will also have multiple opportunities to detect malware, and then stop it before it causes real harm to the organisation. Accepting the fact that some will get through will help plan for the day when an attack is successful, and minimise the damage caused.</p> <p>When building defences against malware, it is recommended that mitigations are developed in each of the following three layers:</p> <p>Layer 1: preventing malicious code from being delivered to devices</p> <p>Layer 2: preventing malicious code from being executed on devices</p> <p>Layer 3: increasing resilience to infection, and to enable rapid response should an infection occur</p>
<p>Target Residual Risk Score CI</p> <p>The cyber security risk is omnipresent and only by constantly maintaining the information security environment at levels accredited by CESG (PSN CoCo certification) can the council afford a degree of confidence that all that can be done is being done to mitigate this risk. The Council needs to consistently complete external auditing and security internal and external penetration testing on an annual basis to keep target residual risk to CI levels.</p> <p>Since all appropriate actions are being taken to maintain cyber security the risk has been managed to as low as possible. However, will remain on the strategic risk register in view of the inevitability of a cyber-attack.</p>
<p>Trigger</p> <p>Cyber security incident leading to partial or total loss of system integrity</p>
<p>Consequence</p> <ul style="list-style-type: none"> Reduced service delivery across multiple departments over extended period

STRATEGIC RISK: SR37 Cyber Security

- Data Leaks
- Financial loss
- Reputational damage
- Held to Ransom

Opportunities and the way forward

Work commenced in preparing for the pre-requisites to obtain Cyber Essential Plus accreditation. Due to the Covid this work has been paused as it is not an essential requirement to obtain this accreditation, however the work in improving cyber security has continued. This position will be reviewed after April 2021.

The ICT Network & Cyber Security Manager has specific responsibilities for the security of the network, overseeing user privileges & security policies, and user education and awareness.

System monitoring software tools are being reviewed to determine whether there are solutions that will further strengthen the cyber security measures already in place.

Strategic Risk SR37 Cyber Security Mitigating Action SR 37.01 Secure configuration: Remove or disable unnecessary functionality from systems, and to quickly fix known vulnerabilities.

Lead Officer Head of ICT

Desired Outcome: Expected Output

Patch Management regime in place to treat known vulnerabilities

Milestones

Certified PSN compliance – May 2021

Progress update.

December 2020

This is being reviewed as part of the preparation for the Councils 2021/22 PSN certification.

Strategic Risk SR37 Cyber Security Mitigating Action SR 37.02 Network security: Create and implement policies and appropriate architectural and technical responses, thereby reducing the chances of attacks succeeding

Lead Officer Head of ICT

Desired Outcome: Expected Output

Network policies in place to prevent attacks

Strategic Risk SR37 Cyber Security Mitigating Action SR 37.02 Network security: Create and implement policies and appropriate architectural and technical responses, thereby reducing the chances of attacks succeeding

Milestones

Certified PSN compliance – May 2021

Progress update.

December 2020

This is being reviewed as part of the preparation for the Councils 2021/22 PSN certification.

Strategic Risk SR37 Cyber Security Mitigating Action SR 37.03 Managing user privileges: All users should be provided with a reasonable (but minimal) level of system privileges and rights needed for their role. The granting of highly elevated system privileges should be carefully controlled and managed.

Lead Officer Head of ICT

Desired Outcome: Expected Output

User policies in place to ensure system privileges meet role requirements

Milestones

Certified PSN compliance – May 2021

Progress update.

December 2020

This is being reviewed as part of the preparation for the Councils 2021/22 PSN certification.

Strategic Risk SR37 Cyber Security Mitigating Action SR 37.04 User education and awareness: Users have a critical role to play in their organisation's security and so it's important that security rules and the technology provided enable users to do their job as well as help keep the organisation secure. This can be supported by a systematic delivery of awareness programmes and training that deliver security expertise as well as helping to establish a security-conscious culture

Lead Officer Head of ICT

Desired Outcome: Expected Output

Information and cyber security training available to all system users. Staff induction references cyber security risks and user responsibilities for risk treatment

Milestones

Certified PSN compliance – May 2021

Bid for funds against LGA cyber security budget

Strategic Risk SR37 Cyber Security Mitigating Action SR 37.04 User education and awareness: Users have a critical role to play in their organisation's security and so it's important that security rules and the technology provided enable users to do their job as well as help keep the organisation secure. This can be supported by a systematic delivery of awareness programmes and training that deliver security expertise as well as helping to establish a security-conscious culture

Progress update.

December 2020

The ICT Network & Cyber Security Manager is working with the Senior Workforce Development officer to implement an elearning/MetaCompliance system for use education and awareness following the success of the Kent Connects funding bid.

Delays were encountered in 2020 due to the pandemic.

Strategic Risk SR37 Cyber Security Mitigating Action SR 37.05 Incident management: All organisations will experience security incidents at some point. Investment in establishing effective incident management policies and processes will help to improve resilience, support business continuity, improve customer and stakeholder confidence and potentially reduce any impact.

Lead Officer Head of ICT

Desired Outcome: Expected Output

ICT security policies in place and regularly reviewed. Any recognised cyber security incident is reported to appropriate board

Milestones

Certified PSN compliance – May 2021

Progress update.

DECEMBER 2020

No further incidents in 2020

DECEMBER 2019

Incident management processes were tested following a potential issue with Lagan forms. The ICT Management Team worked closely with the Information Governance Team to produce a response for the ICO. Due to the quality of the response no further action was necessary

Strategic Risk SR37 Cyber Security Mitigating Action SR 37.06 Malware prevention: Malicious software, or malware is an umbrella term to cover any code or content that could have a malicious, undesirable impact on systems. Any exchange of information carries with it a degree of risk that malware might be exchanged, which could seriously impact your systems and services. The risk may be reduced by developing and implementing appropriate anti-malware policies as part of an overall 'defence in depth' approach.

Lead Officer Head of ICT

Strategic Risk SR37 Cyber Security Mitigating Action SR 37.06 Malware prevention: Malicious software, or malware is an umbrella term to cover any code or content that could have a malicious, undesirable impact on systems. Any exchange of information carries with it a degree of risk that malware might be exchanged, which could seriously impact your systems and services. The risk may be reduced by developing and implementing appropriate anti-malware policies as part of an overall 'defence in depth' approach.

Desired Outcome: Expected Output

Policies in place to monitor and capture known malicious code

Milestones

Certified PSN compliance – May 2021

Progress update.

DECEMBER 2020

Malware protection systems have been reviewed and found to be up to date and effective.

Strategic Risk SR37 Cyber Security Mitigating Action SR 37.07 Monitoring: System monitoring provides a capability that aims to detect actual or attempted attacks on systems and business services. Good monitoring is essential in order to effectively respond to attacks. In addition, monitoring allows you to ensure that systems are being used appropriately in accordance with organisational policies. Monitoring is often a key capability needed to comply with legal or regulatory requirements

Lead Officer Head of ICT

Desired Outcome: Expected Output

Security Incident and event management (SIEM) systems in place

Milestones

Certified PSN compliance – May 2021

Progress update.

DECEMBER 2020

Medway Council ICT is working with NCC Group who have been appointed by central government to assist with the implementation of LME (logging made easy). This is a service offered by the NCSC to councils.

Strategic Risk SR37 Cyber Security Mitigating Action SR 37.08 Removable media controls: Removable media provide a common route for the introduction of malware and the accidental or deliberate export of sensitive data. You should be clear about the business need to use removable media and apply appropriate security controls to its use.

Lead Officer Head of ICT

Desired Outcome: Expected Output

Strategic Risk SR37 Cyber Security Mitigating Action SR 37.08 Removable media controls: Removable media provide a common route for the introduction of malware and the accidental or deliberate export of sensitive data. You should be clear about the business need to use removable media and apply appropriate security controls to its use.

Removable media policies in place with security controls on user devices

Milestones

Certified PSN compliance – May 2021

Progress update.

DECEMBER 2020

Reviewed on 5 December 2020 no update required.

Certification complete May 2020

Reaccreditation required May 2021

Strategic Risk SR37 Cyber Security Mitigating Action SR 37.09 Home and mobile working: Mobile working and remote system access offers great benefits, but exposes new risks that need to be managed. You should establish risk based policies and procedures that support mobile working or remote access to systems that are applicable to users, as well as service providers. Train users on the secure use of their mobile devices in the environments they are likely to be working in.

Lead Officer Head of ICT

Desired Outcome: Expected Output

Policies in place to ensure mobile working devices are managed and monitored for security breaches. Two factor authentication (2FA) policies in place to manage remote access to systems

Milestones

Certified PSN compliance – May 2021

Progress update. December 2020.

No further update required

JUNE 2020

In light of the COVID and growth in working from home the HR policy is currently under review, once this is complete ICT is going to be a review on the ICT mobile working security policy to ensure that it covers the new HR policy.

Certification complete May 2020

Reaccreditation required May 2021

STRATEGIC RISK: SR39 Financial Pressures on SEN Budgets
RISK OWNER: Director of People
PORTFOLIO Children's Services
Current Residual Risk Score BII (Likelihood – high. Impact – major)
The number of EHCPs has been rising over time (42% since 2015). Medway has a higher rate of EHCP per 10k than national in all age groups. The increase in numbers and complexity of need continues to be a pressure on the Council with the budgets currently excessively overspent. The Council has submitted a budget recovery plan to rectify and meetings are set up with the ESFA to review.
Inherent Risk Score BII Pressures from increasing demand and complexity of special educational need and disability place extreme financial pressure on High Needs Budget, which could result in us not meeting our statutory educational duties for children and young people aged 0-25 who have SEND.
Target Residual Risk Score DIII Increased funding from central government will work towards removing the risk to vulnerable children and young people with SEND. A review is currently taking place.
Trigger The Council does not receive enough High Needs Budget to match increasing demand and complexity of need.
Consequence <ul style="list-style-type: none"> • Unable to provide our statutory education duties for children and young people aged 0-25 who have SEND • Poorer outcomes for children and young people • Budget pressures with consequences across the Council • Impact on regulatory judgement • Money drawn from other services • Cost spiral • Adverse effect on staff morale affected
Opportunities and the way forward
Strategic Risk SR39 Financial Pressures on SEN Budgets Mitigating Action SR 39.01: SEN budgets are being closely monitored and spend is being reviewed more robustly.
Lead Officer AD Education and SEND. Head of Integrated Disability
Desired Outcome: Expected Output

Strategic Risk SR39 Financial Pressures on SEN Budgets Mitigating Action SR 39.01: SEN budgets are being closely monitored and spend is being reviewed more robustly.

Successful management of the budget

Progress update. December 2020

The High Needs Budget Recovery Plan continues to be monitored by a Members Scrutiny Group and a High Needs Sub Group of Schools Forum

Strategic Risk SR39 Financial Pressures on SEN Budgets Mitigating Action SR 39.03: Work to improve the service following the revisit by Ofsted and the CQC.

Lead Officer Head of Integrated Disability

Desired Outcome: Expected Output

Meeting all recommendations following the revisit by Ofsted and CQC

Progress update. December 2020

The Accelerated Progress Plan Monitoring Meeting took place in December 2020 virtually. Some actions have been delayed due to COVID but DfE and NHS England feedback is positive at present.

SEND Core Group continues to monitor APP actions.

Strategic Risk SR39 Financial Pressures on SEN Budgets Mitigating Action SR 39.04: Supporting Medway's schools to be more inclusive

Lead Officer AD Education and SEND.

Desired Outcome: Expected Output

Increase in school capacity to support children with EHCPs in a mainstream setting

Progress update. December 2020

Work continues with schools that do not currently have the national levels of children with EHCPs.

Strategic Risk SR39 Financial Pressures on SEN Budgets Mitigating Action SR 39.05: Working with the Clinical Commissioning Group to ensure NHS funding is provided in all appropriate cases

Lead Officer AD Education and SEND. Head of Integrated Disability

Desired Outcome: Expected Output

Strategic Risk SR39 Financial Pressures on SEN Budgets Mitigating Action SR 39.05: Working with the Clinical Commissioning Group to ensure NHS funding is provided in all appropriate cases

Equal portioned funding for all applicable cases.

Progress update.

December 2020

Work is ongoing through a robust partnership with health colleagues at the Clinical Commissioning Group to ensure that NHS funding is provided in all appropriate cases.

Strategic Risk SR39 Financial Pressures on SEN Budgets Mitigating Action SR 39.06: Reviewing high cost placements to ensure the best packages are provided in the most economical way

Lead Officer Head of Integrated Disability

Desired Outcome: Expected Output

Review of high-cost placements to assure what is delivered in each placement.

Progress update. December 2020

Work continues to review due to COVID-19

Strategic Risk SR39 Financial Pressures on SEN Budgets Mitigating Action SR 39.07: The creation of additional SEND provision locally

Lead Officer AD Education and SEND. Head of Integrated Disability

Desired Outcome: Expected Output

Increase capacity locally.

Reduction in need to place out of area

Progress update. December 2020

Work continues capital programmes and resource provisions.

Strategic Risk SR39 Financial Pressures on SEN Budgets Mitigating Action SR 39.08 Placeholder for lobbying the government mitigation

Lead Officer AD Education and SEND.

Desired Outcome: Expected Output

Strategic Risk SR39 Financial Pressures on SEN Budgets Mitigating Action SR 39.08 Placeholder for lobbying the government mitigation

Funding would be adequate to meet the needs of demographic growth and increased complexity

Progress update. December 2020

Every opportunity is being taken to share information and lobby with the DfE and EFSA regarding High Needs Budget deficit

STRATEGIC RISK: SR02 Business continuity and emergency planning

RISK OWNER Director of Place and Deputy Chief Executive

PORTFOLIO: Business management (cross cutting)

Current Residual Risk Score DII (Likelihood – low. Impact – major)

The Emergency Plan is subject to rigorous testing on a regular basis both internally and externally with the plan continually refined as a result to meet the ever-changing needs of the council and local area.

An annual presentation on Business Continuity is included at a meeting of all council Service Managers.

Assistant Directors are responsible for ensuring that the testing of business continuity plans has taken place. Testing to date has been completed during live incidents.

The Corporate Business Continuity Plan is currently being refreshed and is aligned to the Emergency Plan

Inherent Risk Score CI

Duties under the Civil Contingencies Act require councils to have an Emergency Plan. The Emergency Management and Response Structure may not be robust enough to respond to a major emergency.

Every business activity is at risk of disruption from a variety of threats, which vary in magnitude from catastrophic through to trivial, and include pandemic flu, fire, flood, loss of utility supplies and accidental or malicious damage of assets or resources.

The change of council assets / responsibilities going to either commissioned or third-party contractors, Medway Norse or Medway Commercial Group also provides unique challenges to the established Roles and responsibilities during planning and response to Emergency Events.

Target Residual Risk Score DII

The Council will never be able to reduce the risk further as it is impossible to completely mitigate unforeseen adverse events.

The Council needs to consistently complete hard and soft testing of its business continuity plans to ensure it achieves and maintains the DII risk scoring.

Trigger

A significant adverse event occurs, and the Council is found wanting or negligent in its planning and/or operational response

Consequence

STRATEGIC RISK: SR02 Business continuity and emergency planning

- Response to event is not rapid, adequate nor effective.
- Lack of clear communication lines.
- Essential service priorities not clearly understood.
- Communication between agencies and the public is poor.
- There is a perception by residents that the Council does not have a visible presence at the Incident.
- Residents expect more from their Council.
- Local press quick to seize issue.
- Comparisons made with other local authorities and resilience groups.
- A death, or deaths, in the community.
- Legal challenge under the 'Civil Contingencies Act 2004'.

Opportunities and the way forward

As a result of COVID19 the Corporate Business Continuity Plan and BC training will be reviewed to include best practice, lessons learnt, and observations made from the Councils response and recovery plans.

Cabinet received a paper on the Councils Covid response on 07 July 2020 and Covid recovery on 25 August 2020.

Council services refreshed their business continuity plans in October 2020 in preparation for the Covid19 pandemic second wave and EU Exit 31 December 2021.

Business Support Overview and Scrutiny received a paper on 28 January 2021 on the risk environment to consider the wider risk environment facing the Council, including the differences between the Corporate Risk Register, business continuity and emergency planning.

Strategic Risk SR02 Business continuity and emergency planning Mitigating Action SR 02.01: Continued review and develop the Council's Major Emergency Plan (MEP) including any Lessons Identified

Lead Officer Director of Place

Desired Outcome: Expected Output

Revised plan agreed by Corporate Management Team.

Continued engagement with Kent Resilience Forum.

Staff trained in emergency response management at all levels.

A sustainable and robust on call rota in place at all levels.

Existing plan in place.

Programme of on-going review of COMAH plans.

Emergency response operations room in place.

Strategic Risk SR02 Business continuity and emergency planning Mitigating Action SR 02.01: Continued review and develop the Council's Major Emergency Plan (MEP) including any Lessons Identified

On call rota in place covering all roles & responsibilities 24/7.

Milestones

Draft plan in place.

Call out arrangements in place covering all roles & responsibilities 24/7 (Blue Card) (enhanced during LA stand down Periods).

Reduced relevant staff training during 2020

Progress Update. December 2020.

No update required

Progress update. August 2020

The COVID-19 Crisis has proved that Medway's Councils Emergency process fit for purpose, focused, prioritised and effective in dealing with this large scale National Major Incident. The Major Emergency Plan gave structure and was flexible enough to bend and evolve with the complexities of this emergency.

There are several concerns:

- Training/exercises has been kept to an absolute minimum due to budgetary pressures.
- The Kent resilient Forum is developing and an increase in subscription is expected if current plans within the Kent Resilience Team are realised.
- The Blue Card system of callout requires attention by CNT to identify new staff members to replace those who have left.

Over the COVID-19 period the Blue card system of response would have worked however, the staff needed to carry out the operational functions may not have been available.

- Basic functions of Safe place emergency REST Centre provision were also suspect due to 4 type of evacuee with use of limited staff.
- The increasing "Working from Home call post the COVID-19 Crisis places an undue pressure on immediate during working hours Response and therefore Business Continuity. Simply put unknown staff available, longer response times, more detailed coordination of staff to support our Category one responsibilities.
- I believe it was proved that the working from home (Do not go into work guidance) has significant challenges in relation to managers release staff to be redeployed in other critical services during the COVID-19 Crisis.

A full Lessons Identified process will be undertaken post COVID-19 response phase.

Medway Councils MEP and is now due for review during the 21/22 period.

Strategic Risk SR02 Business continuity and emergency planning Mitigating Action SR 02.02: Business continuity plans completed to implement the actions

Lead Officer Director of Place

Strategic Risk SR02 Business continuity and emergency planning Mitigating Action SR 02.02: Business continuity plans completed to implement the actions

Desired Outcome: Expected Output

All services will have an up-to-date and tested Business Continuity Plan.

Business Continuity Management Policy agreed.

Business Continuity Management principles and training provided to divisional management teams across the Council is ongoing.

Corporate Recovery Plan.

IT Recovery Plan in place.

Milestones

Plans tested

Business Continuity Audit 2017 actions completed in 2018.

Progress Update. January 2021

Reviewed 8 January 2021 no update required

Progress update.

Reviewed 29 September 2020 no update required.

A dashboard to monitor the refresh of business continuity plans by April each year is overseen by the Strategic Risk Management Group and reported six monthly to Corporate Management Team as part of the Corporate Risk Register. Assistant Directors are responsible for ensuring that the testing of plans has taken place. An annual presentation on Business Continuity is included at Service Managers Meeting in September each year. Service Managers are responsible for making staff aware of their Service Business Continuity Plan and their roles and responsibilities within it. This also forms part of the induction for all new staff.

STRATEGIC RISK: SR17 Delivering regeneration

RISK OWNER: Director of Place and Deputy Chief Executive

PORTFOLIO: Inward Investment, Strategic Regeneration and Partnerships

Current Residual Risk Score BII (Likelihood – high. Impact – major)

The Regeneration programme and in particular Innovation Park Medway and the flag ship waterfront developments are managed at Member, officer and partner level through individual boards and the projects are managed at a more operational level through officer groups and RCET DMT.

Those schemes funded through the LEP also must adhere to a rigorous reporting process to ensure that they are on time and within budget.

The advent of Covid-19 will place additional pressures on delivery of capital projects and therefore funding deadlines.

STRATEGIC RISK: SR17 Delivering regeneration

Inherent Risk Score BII

Medway's regeneration plans seek to meet the needs of anticipated population growth of 50,000 people in Medway, with up to 20,000 jobs and 29,000 new homes in the next 20 plus years.

There are challenges for the provision and maintenance of effective infrastructure. Areas of concern are flood protection, highways, health and water capacity.

It is vital the benefits are felt by the population of Medway, so that the new jobs are not only filled by people from outside the area, and trends of commuting out are addressed.

Economic uncertainty could delay regeneration and growth, impacting on strategic decisions and inward investment.

Target Residual Risk Score CII

Failure by the Council to deliver its ambitious regeneration plans would have a critical impact in Medway, by not delivering the housing, jobs and infrastructure required for its growing population. There is little that can be done to lessen this *impact* and so the focus must be on reducing the *likelihood* of failure to a more tolerable level.

Dialogue will be opened with funding providers such as SELEP and HE regarding funding envelopes and delays to programmes relating to Covid-19.

Trigger

- The Council fails to deliver its economic, skills and infrastructure regeneration programme.
- House/property building companies start to delay developments.
- Potential lack of companies wanting to locate in Medway.

Consequence

- Regeneration projects not completed.
 - Potential damage to Council's reputation.
 - Not able to meet member, government and the public's expectations.
 - Deteriorating physical and infrastructure assets.
 - Investment wasted.
 - Young people are not catered for in the 'new world'.
 - Low skills base among some residents remains.
 - Disconnect between skills and employment opportunities.
 - Maintenance of low aspiration culture.
 - Increased commuting and pressure on transportation.
- Negative impact on community cohesion.

Opportunities and the way forward

The current regeneration programme is large and is being supplemented by the programme of works planned by Medway Development

STRATEGIC RISK: SR17 Delivering regeneration

Company and the partnership with Norse Commercial Services. This means that the Council's capacity is already stretched, however the Council has demonstrated its appetite for a 'mixed economy' of approaches to deliver regeneration and new opportunities are being explored with other partners, including private sector organisations.

Strategic Risk SR17 Delivering regeneration Mitigating Action SR 17.01: Outline infrastructure needs identified

Lead Officer Director of Place

Desired Outcome: Expected Output

Identification of inward investment priorities.

Progressing key regeneration sites and infrastructure plan jointly with KCC.

Production of Infrastructure Delivery Plan (IDP) to support Local Plan.

Milestones

Secure funding

20-year development programme

Preparation of IDP to support submission of Local Plan

Progress Update. December 2020.

Medway's Housing Infrastructure Fund (HIF) bid was approved by central government (MHCLG) in November 2019 and the Grant Determination Agreement, securing £170m, was signed by Homes England and the Council in late July 2020. The secured funding will support the development of rail, road, and strategic environmental (SEMS) infrastructure to unlock the development of a possible 10,600 homes.

Officers have been appointed to the key delivery posts for road, rail and SEMS, and a Scheme Manager has been appointed to support project management and monitoring. The first (of two) historic claims were submitted in August 2020. Subsequent claims will be made monthly.

HIF branding is now complete and will focus on the Future Hoo as a strapline.

Works across all three interventions continues with the Rail's GRIP 3 commenced Road moving on to RIBA stage 4. SEMS has had a Pre-App meeting for a new community parkland. Cashflow and Delivery Programmes have been revised to ensure delivery by March 2024.

Land Consenting strategies are being finalised with a view to commencing pre application consultations between October and December 2020.

Land referencing works (of over 900 titles) is completed.

Monthly meetings now take place between the Hoo Consortium and the Council, with a Non-Disclosure Agreement supporting the development of a Collaboration Agreement. The same will be in place for Homes England's delivery arm.

Work continues on completing the evidence base to support the Draft Local Plan. This includes the Infrastructure Delivery Plan, viability

Strategic Risk SR17 Delivering regeneration Mitigating Action SR 17.01: Outline infrastructure needs identified

assessment, sustainability appraisal, habitat regulations assessment, and strategic transport assessment. These will inform the Draft Local Plan and associated policies which is scheduled to be published in Spring 2021.

Strategic Risk SR17 Delivering regeneration Mitigating Action SR 17.02: Homes England) alerted to the impact of lack of funding and dialogue opened with External Partners

Lead Officer Director of Place

Desired Outcome: Expected Output

Homes England confirm any funding commitment to projects and plans for their sites.

Funding identified to continue regeneration.

Milestones

Regeneration projects agreed with Members

Progress Update. December 2020.

No update required

SEPTEMBER 2020

Medway's Housing Infrastructure Fund (HIF) bid was approved by central government (MHCLG) in November 2019 and the Grant Determination Agreement, securing £170m, was signed by Homes England and the Council in late July 2020. The secured funding will support the development of rail, road, and strategic environmental (SEMS) infrastructure to unlock the development of a possible 10,600 homes.

Officers have been appointed to the key delivery posts for road, rail and SEMS, and a Scheme Manager has been appointed to support project management and monitoring. The first (of two) historic claims was submitted in August 2020. Subsequent claims will be made monthly.

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Land Consenting strategies are being finalised with a view to commencing pre application consultations between October and December 2020.

Land referencing works (of over 900 titles) is completed.

Monthly meetings now take place between the Hoo Consortium and the council, with a Non-Disclosure Agreement supporting the development of a Collaboration Agreement. The same will be in place for Homes England's delivery arm.

Strategic Risk SR17 Delivering regeneration Mitigating Action SR 17.03: Regular meetings with stakeholders including developers to lever in external funding and bring forward transformational programmes

Lead Officer Director of Place

Desired Outcome: Expected Output

External financial arrangements to fund transformational programmes and deliver plans that are implemented on time and to budget. Investors come forward for regeneration sites.

Milestones

As detailed in individual delivery plans

DECEMBER 2020

Medway's Housing Infrastructure Fund (HIF) bid was approved by central government (MHCLG) in November 2019 and the Grant Determination Agreement, securing £170m, was signed by Homes England and the council in late July 2020. The secured funding will support the development of rail, road, and strategic environmental (SEMS) infrastructure to unlock the development of a possible 10,600 homes.

Officers have been appointed to the key delivery posts for road, rail and SEMS, and a Scheme Manager has been appointed to support project management and monitoring. The first (of two) historic claims were submitted in August 2020. Subsequent claims will be made monthly.

HIF branding is now complete and will focus on the Future Hoo as a strapline.

Works across all three interventions continues with the Rail's GRIP 3 commenced Road moving on to RIBA stage 4. SEMS has had a Pre-App meeting for a new community parkland. Cashflow and Delivery Programmes have been revised to ensure delivery by March 2024.

Land Consenting strategies are being finalised with a view to commencing pre application consultations between October and December 2020.

Land referencing works (of over 900 titles) is completed.

Monthly meetings now take place between the Hoo Consortium and the council, with a Non-Disclosure Agreement supporting the development of a Collaboration Agreement. The same will be in place for Homes England's delivery arm.

The Economy and Infrastructure Recovery Cell's Digital Inclusion sub-group is engaging with City Fibre to discuss potential support for digital inclusion programmes in Medway as part of their CSR initiatives linked to full fibre rollout.

Discussions are underway with potential investors in key sites within Medway, including the Debenhams building in Chatham, and IPM.

The Draft Local Plan, as a result of work on the Infrastructure Delivery Plan and viability assessments, will be supported by a review of the Developer Contributions Guide.

Strategic Risk SR17 Delivering regeneration Mitigating Action SR 17.04: Working with the Local Enterprise Partnership to attract funds to Medway.

Lead Officer Director of Place

Desired Outcome: Expected Output

External financial arrangements to fund transformational programmes and deliver plans that are implemented on time and to budget. Create and protect long-term jobs in the private sector, and programmes which will deliver sustainable jobs.

Growing Places Fund (GPF):

£4.4m Rochester Riverside;

£2.99m Chatham Waterfront.

£650K Innovation Park Medway £41.7m Local Growth Funding from the Local Enterprise Partnership.

1.99m allocated from the Getting Building Fund (GBF)

Milestones

As detailed in individual delivery plans

Progress Update. December 2020

Medway has made successful bid submissions to SELEP for nine LGF projects, totalling £41.7m across four bidding rounds. This includes the April 2019 allocation of £1.5m of LGF3b funding to the Innovation Park Medway (IPM). This includes £11.1m of funding for the A289 project, which will instead be delivered by the successful HIF bid, and as such £9.3m has been returned to SELEP for reallocation.

Medway has also successfully bid for over £8m across three rounds of Growing Places Fund (GPF) loan investment, supporting Chatham Waterfront, Rochester Riverside and the Innovation Park Medway. We have in addition supported a £500k GPF bid from Chatham Historic Dockyard Trust for developments at the Fitted Rigging House.

MHCLG announced Getting Building Funding in June 2020, of which £85m has been allocated to SELEP. Medway submitted two bids - the Britton Farm Redevelopment Learning Skills and Employment Hub project for £1.99m and the Innovation Park Medway – Smart Sustainable City of Business project for £3m. Britton Farm was awarded full funding at October Board. Innovation Park Medway is at the top of the reserve list should any of the projects allocated funding not proceed with their Business Case submission or should their Business Cases not be approved. – we are currently aware of a £1.009m GBF underspend and officers are working to develop a project of this scale.

The SELEP Local Industrial Strategy did not progress to formal government endorsement prior to Covid-19 and will be replaced by a SELEP Economic Recovery and Renewal Plan. Government guidance on the structure of this plan is awaited, but Medway Council will provide full support – as it did for the LIS and has continued to do at KMEDP-level for the Kent and Medway Renewal and Resilience Plan, which has been supported through Medway Council's Covid-19 Response and Recovery structures.

The funding landscape post-LGF / GBF funding remains unclear, limited detail around either the Levelling-Up or Shared Prosperity Funds announced in the November Spending Review.

Strategic Risk SR17 Delivering regeneration Mitigating Action SR17.05: Working towards the adoption of the new Medway Local Plan.
Lead Officer Director of Place
<p>Desired Outcome: Expected Output New Local Plan and Planning Policy Guidance adopted to guide Medway’s sustainable growth. To prepare the Medway Local Plan and as outlined in the Local Development Scheme published August 2020</p> <p>Milestones Publication of Draft Local Plan 2021 Independent Examination of plan - 2022</p>
<p>Progress Update. December 2020 Impacts of development pressures in neighbouring authorities. Gravesham and Maidstone are both proposing large development allocations on the borders of Medway, in order to meet their development needs. If the LPAs cannot identify sufficient land, there is a risk of a request to Medway to accommodate unmet housing needs. Government has started process of intervention in Local Plan preparation where councils have not made sufficient progress. Medway is at risk of intervention as it has been identified as an authority with an out-of-date plan. Implications of the Housing Delivery Test 2021 could place further sanctions on Medway’s local decision making on planning matters. Work continues in completing evidence base to support issue of Draft Local Plan in spring 2021. This includes Strategic Transport assessment, Infrastructure Delivery Plan, viability assessment, sustainability appraisal, and habitat regulations assessment. This work will also inform a review of the Developer Contributions Guide.</p>

Strategic Risk SR17 Delivering regeneration Mitigating Action SR17.06: To seek additional external funding opportunities.
Lead Officer Assistant Director Regeneration
<p>Desired Outcome: Expected Output Ensuring Medway’s Regeneration programme is delivered. Additional funding streams identified and secured.</p> <p>Milestones Secure funding for Council owned sites</p>
<p>Progress Update. December 2020 Medway’s Housing Infrastructure Fund (HIF) bid was approved by central government (MHCLG) in November 2019 and the Grant Determination Agreement, securing £170m, was signed by Homes England and the Council in late July 2020. A full Business Case for Future High Streets Fund for Chatham town centre was submitted on 30 April 2020. An announcement regarding successful bids is overdue. In September we were awarded £12,000 to support our £1.6m High Streets Heritage Action Zone funding. This</p>

Strategic Risk SR17 Delivering regeneration Mitigating Action SR17.06: To seek additional external funding opportunities.

has a specific focus on supporting a cultural consortium for the area.

MHCLG announced Getting Building Funding in June 2020, of which £85m has been allocated to SELEP. Medway submitted two bids - the Britton Farm Redevelopment Learning Skills and Employment Hub project for £1.99m and the Innovation Park Medway – Smart Sustainable City of Business project for £3m. Britton Farm was awarded full funding at October Board. Innovation Park Medway is at the top of the reserve list should any of the projects allocated funding not proceed with their Business Case submission or should their Business Cases not be approved – we are currently aware of a £1.009m GBF underspend and officers are working to develop a project of this scale.

A successful Expression of Interest was submitted to the Department of Business, Energy, and Industrial Strategy (BEIS) for £45,150 for Heat Network Delivery Units (HNDU) Round 9. The project will complete an Energy Masterplanning study and Heat Mapping exercise to understand the potential of Heat Networks across the Hoo Peninsula and wider Medway.

A c. £2m Expression of Interest is being developed for the ‘Whose Hoo’ heritage project on the Hoo Peninsula looking at community and heritage initiatives relating to Slough Fort, tree planting, paths, cycleways, and community engagement. Submission for this EOI has been delayed because of Covid-19 changes to the funding stream, with the National Lottery Heritage Fund encouraging the Council to continue to develop the bid with a view to submission in 2021.

Anticipated announcements regarding the Levelling-Up Fund and Shared Prosperity Fund (as outlined in the November Spending Review) will be reviewed when available in early 2020.

Strategic Risk SR17 Delivering regeneration Mitigating Action SR17.07: Submission of a successful Business Case for Housing Infrastructure Fund (HIF) funding for the peninsula.

Lead Officer Assistant Director Regeneration

Desired Outcome: Expected Output

Delivering major infrastructure improvements to unlock the potential of the Hoo peninsula.
£170m secured via a successful Business Case submission.

Progress Update. December 2020.

No update required

Progress Update. September 2020

The Grant Determination Agreement to unlock £170m HIF investment for the Hoo peninsula was signed in late July following Cabinet and Full Council approval in April.

STRATEGIC RISK: SR35 Homelessness
RISK OWNER: Assistant Director Culture and Community
PORTFOLIO: Deputy Leader and Housing and Community Services
Current Residual Risk Score CIII (Likelihood – significant. Impact – moderate)
The Council continues to undertake a proactive approach to tackling homelessness. Issues beyond the Councils control continue to be the dominating factor in relation to the demand placed on the service. These include Increasing rents in the private sector, reductions in the delivery of affordable housing and the impact of welfare reform initiatives.
Inherent Risk Score BII An increasing demand in relation to Councils Duty to provide temporary accommodation under s188/193 of HA 1996 caused by continuing high levels of homelessness and lack of affordable housing supply. Reductions in the level of income achieved due to welfare reform increasing the risk of overspend on the council's budget. Increase in the rough sleeping population in the Medway area. Changes to legislative frameworks placing greater demand on services.
Target Residual Risk Score DIII In order to manage the overall level of risk the Council continues to develop preventative services to tackle homelessness. The risk of further increases to temporary accommodation should decrease, however this still stand to be influenced by the external factors identified within the current residual risk.
Trigger <ul style="list-style-type: none"> • Increase in the number of households residing in temporary accommodation • Reduction in the council's ability to maximise prevention opportunities • Lack of appropriate temporary accommodation stock • Reduction in the availability of permanent affordable housing • Reductions in staffing levels to sustain levels of service
Consequence <ul style="list-style-type: none"> • Increasing and unsustainable overspend of allocated budget • Poorer outcomes for children and vulnerable adults • Increased legal challenge and penalty from the LGO • Reputational Damage Failing to achieve Members' expectations.
Opportunities and the way forward Mobilise all new aspects of the NSAP funding for 2020/21. Further opportunities could be explored to diversify the type of temporary accommodation needed for use by the Council. This will need

STRATEGIC RISK: SR35 Homelessness

capital investment but would limit the amount of funding lost to the private sector.

Opportunities may be available to increase the amount of prevention of homelessness support offered by the Council by utilising the existing temporary accommodation budget.

Strategic Risk SR35 Homelessness Mitigating Action SR35.01: Increase the prevention activity undertaken including opportunities for joint working across directorates as well as with other organisations such as DWP

Lead Officer Assistant Director Culture and Community Regeneration/ Head of Housing

Desired Outcome: Expected Output

Opportunities to prevent homelessness are maximised via service delivery and through the development of joint working/referral protocols with other services/organisations

Increase in the amount of successful prevention cases

Dedicated resource to tackle prevention of homelessness.

Progress Update. December 2020

Footfall for November closed at 234, significantly up in November last year which saw 178, but comparable to October at 244 and September's 232. It is reasonable to say that numbers of approaches are at, or, above normal levels, despite a slow start during the initial lockdown in March. The Council has seen a total of 1,619 approaches this year compared to the full year total of 2,648 in 2019/20.

A significant risk remains around changes to notice periods. Several cases that, under usual periods, would already be known to the authority will have notices that may not expire until after April 2021 potentially giving rise to a significant amount of approached and TA numbers in Q1 2021/22.

Rates of prevention and relief remain good with 562 cases receiving such an outcome up to the end of November, this compares with 928 in 2019/20. Whilst numerically lower, as a percentage of overall outcomes they are similar with 35% in 2019/20 and 34% for 2020/21 to date.

Strategic Risk SR35 Homelessness Mitigating Action SR35.02: Increase opportunities of affordable housing supply

Lead Officer Assistant Culture and Community/ Head of Housing

Desired Outcome: Expected Output

Ensure that the need for affordable rented housing is recognised across the organisation enabling an increase in the amount of affordable homes delivered in line with the Planning Policy.

Increased provision of affordable housing.

Take forwards plans for the Council to intervene in the market to provide affordable housing.

Strategic Risk SR35 Homelessness Mitigating Action SR35.02: Increase opportunities of affordable housing supply
Progress Update. December 2020

MHCLG assessing consultation responses to 2 key changes to the planning system consultations, including a new white paper. Both have implications for delivery of affordable homes.

Strategic Risk SR35 Homelessness Mitigating Action SR35.03: Establish a strategic group to assess the scale of rough sleeping in Medway and lead on the development of interventions to reduce the issue

Lead Officer Assistant Culture and Community/ Head of Housing

Desired Outcome: Expected Output

A clear, cross-sector commitment to the way that rough sleepers in the Medway area are assisted to secure alternative accommodation. Reduction to the amount of visible rough sleeping activity in the area and relating complaints and media attention. Clear strategy in place for tackling cold weather provision and associated issues.

Milestones

Ongoing outcome reporting to be established through strategic group.

Progress Update. December 2020

Reviewed no further update.

September 2020

Following the success of Medway's 'everyone in' placement of known, and new, people sleeping rough into B&B and Hotel accommodation, we have now moved to the resettlement phase. To date over 50 people who were previously sleeping rough have been supported into longer term accommodation. We have had discussions with the MHCLG regarding ongoing funding and have submitted a bid under the Next Steps Accommodation Programme for longer term funding to provide increased units of accommodation specifically for people who were sleeping rough as part of the 'national asset'. We are waiting for the result of the Spending Review to understand what funding will be available for direct support to people sleeping rough from April 2021, i.e. our current Rough Sleeper Initiative services.

We are working with interdepartmental colleagues in Adult Social Care, Children's Services and Partnership Commissioning, (as well as multi agency forums involving police, voluntary sector, etc) and have identified that there are a group of individuals whose needs and risk factors are too high to be managed in our existing service provision alone. We are looking to see where a wraparound service may be feasible to increase the likelihood of breakthroughs being achieved with very complex entrenched individuals.

As traditional night shelter models have been proscribed by government due to shared airspace whilst sleeping, we have developed a cold weather approach and bid under the short-term Next Steps Accommodation Programme. We have been successful in getting 100% of the funding agreed for this. This will allow us to have an additional 10 units of temporary accommodation, the continued use of a 9 bed guest house, and 10 rooms available in a local hotel from December to March along with increased support for the rest of the financial year. We are looking to see what other potential capacity can be built in to the system, but this provision replaces a significant proportion of the

Strategic Risk SR35 Homelessness Mitigating Action SR35.03: Establish a strategic group to assess the scale of rough sleeping in Medway and lead on the development of interventions to reduce the issue

potential bed spaces we would normally have accessed, with night shelters being unable to operate at present.

Strategic Risk SR35 Homelessness Mitigating Action SR35.04: Ensure that options for the provision of temporary accommodation are transparent and reviewed in light of grant funding changes rather than subsidy to ensure that Medway is providing cost effective accommodation options.

Lead Officer Assistant Culture and Community/ Head of Housing

Desired Outcome: Expected Output

Adoption of a Dynamic Purchasing System (DPS) for the Council to secure accommodation in the Private Sector.

Effective/Accurate Budget Monitoring

Further increase options for lower cost TA provision.

Implement a “tenancy management” type structure for management of TA – Maximising the income achieved via Housing Benefit

Minimise rise in price for TA units in the private sector

Emergency use only for TA Provision that is outside of usual pricing structure.

Progress Update. December 2020

Performance in relation to temporary accommodation has improved considerably through Q3 2020/21 with households in temporary accommodation reducing from 370 at the end of September to 327 at the end of November.

Assessment of new models of providing temporary accommodation is under way with a view to bringing forward proposals in Q4 of 2021/22.

A number of households not currently owed a duty are accommodated currently as a result of the pandemic and to reduce pressure on Children’s Services.

STRATEGIC RISK: SR47 Climate Change

RISK OWNER: AD Frontline Services

PORTFOLIO: COMMUNITY SERVICES

Current Residual Risk Score All (Likelihood – very high. Impact – major)

Climate change is a Council Plan programme for 2020/21

Climate Change Action Plan needs to be produced. Currently waiting on consultants to finalise Medway Net Zero Carbon Baseline and Pathway report before work can commence on the Climate Change Action Plan. The Climate Change Co-ordinator is also still driving

STRATEGIC RISK: SR47 Climate Change

forward other Climate Change projects and thus there is a resourcing issue.

Inherent Risk Score All

- The council has signed up to the Kent and Medway Energy and Low Emissions Strategy which has the vision that 'by 2050 the county of Kent has reduced emissions to Net-Zero and is benefiting from a competitive, innovative and resilient low carbon economy, where no deaths are associated with poor air quality'. There is a risk that this vision will not be achieved.
- If a Climate Change Action Plan is not produced and implemented by the Council there is a risk that the net zero target will not be reached by 2050.
- The success of the Climate Change Action Plan will require collaboration between all services, residents of Medway and the Climate Change Coordinator to meet the net zero target by 2050.
- There is a risk that the organisation as a whole does not have the capacity/funding to fulfil the requirements of the Climate Change Action Plan which will put the intended outcome of being net zero by 2050 in jeopardy.

Target Residual Risk Score DIII

Climate Change Action Plan will be produced by December 2020 and then approval sought from MAB (February 2021) and subsequently Cabinet approval (March 2021).

The focus for the Climate Change Co-ordinator for Q3 will be the production of the Climate Change Action Plan as this underpins the whole project.

Resources being sought for staff and project development in 2021 onwards. To enable Medway to reach the extremely challenging targets early intervention are needed and associated significant resources and funding to enable a modal shift in operations.

The scale of the need will be clear once the baseline report is complete (End Q3 2020).

Trigger

- Climate Change Action Plan not produced and implemented
- Funding not available to implement Climate Change Action Plan
- The Council fails to deliver the Climate Change Action Plan and the vision set out in the Kent and Medway Energy and Low Emissions Strategy.
- Staffing resources not available to implement/drive Climate Change Action Plan forward
- Lack of support for the climate change agenda
- Project impacted by Covid-19; staff being redeployed, and funding reduced.
- Brexit may have a negative impact on achieving the net zero target by 2050 – UK's exit from the single market may have an impact on trade for low-carbon goods

Consequence

- Potential damage to Councils reputation
- Not able to meet member's, government and the public's expectations

STRATEGIC RISK: SR47 Climate Change

- Net zero by 2050 is not achieved

Opportunities and the way forward

Leading the way with Climate Change, will give the council the opportunity to provide the local community with a clean, green sustainable future and enhance the Medway area. Some of the options which will support climate change may also have the additional benefit of saving the council money in the longer term, such as has been seen by the conversion to LED lighting on street columns.

Strategic Risk SR47 Climate Change Mitigating Action SR47.01 Finalisation of Medway Net Zero Carbon Baseline and Pathway report and Production of Climate Change Action Plan

Lead Officer Head of Environmental Services

Desired Outcome: Expected Output

Medway Net Zero Carbon Baseline and Pathway report and Climate Change Action Plan approved by MAB in February 2021 and signed off by cabinet in March 2021.

Milestones

Climate Change Members Advisory Board meetings, Climate Change Steering Group meetings and Council Plan quarterly reporting

Progress Update. December 2020.

No update required

Progress update. September 2020

Draft report off consultants being reviewed by team for issue to DMT and CMT in Jan 2021.

Strategic Risk SR47 Climate Change Mitigating Action SR47.02 Implementation of a five-year cross cutting Climate Change Action Plan setting out medium- and long-term outputs to achieve measurable change

Lead Officer Head of Environmental Services

Desired Outcome: Expected Output

Medway to achieve the net zero target by 2050

Measures within the Climate Change Action Plan to be implemented and carbon savings measured

Annual reporting on progress made towards net zero target

Milestones

Climate Change Members Advisory Board meetings, Climate Change Steering Group meetings and Council Plan quarterly reporting

Progress Update. December 2020.

Strategic Risk SR47 Climate Change Mitigating Action SR47.02 Implementation of a five-year cross cutting Climate Change Action Plan setting out medium- and long-term outputs to achieve measurable change

No update required

Progress update. September 2020

Success will be measured by - Emissions, Air Quality, Energy, Transport and Housing and fuel poverty.

Strategic Risk SR47 Climate Change Mitigating Action SR47.03 Drive the Air Quality Action Plan forward to effect improvement in Air Quality across Medway.

Lead Officer Head of Environmental Services

Desired Outcome: Expected Output

To monitor the 12 projects within the AQAP

To collect data monthly from air quality monitoring sites

In real time collect data from two air quality monitoring stations and publish on Kentair.org

Produce annual status report which includes updates on 12 projects & air quality data) & submit to Defra for validation June each year

Milestones

Annual air quality measures reported to Defra by June each year. Defra then publish validated data in August/Sept each year.

Progress update. December 2020

Annual Status report has been submitted to DEFRA and approved. The Defra appraisal team did not identify any areas for improvement and noted that Medway had a 'proactive and dedicated approach to improving air quality across Medway borough' and to 'continue their good and thorough work'. The report is available on the council and Kentair website.

The data from air quality monitoring stations is available on the Kentair.org website

STRATEGIC RISK: SR49 NEW INCOME REDUCTION DUE TO COVID19**RISK OWNER: CHIEF FINANCE OFFICER****PORTFOLIO: LEADER'S****Current Residual Risk Score BII (Likelihood – high. Impact – major**

The government have confirmed that the sales, fees and charges income compensation scheme in operation during 2020/21 will continue in Q1 of 2021/22 and that the government will continue to support local authorities to manage pressures arising from the pandemic in the coming financial year. This compensation scheme requires local authorities to absorb the first 5% of any losses, but then pays 75p for every £1 of income lost. Income losses considered commercial are not covered by the scheme.

Threat / Inherent Risk

Following substantial falls in direct government grant from 2010-11 onwards, locally generated income from sales, fees and charges, and through more commercial investment activity has become a fundamental element of the Council's budget.

Front line services including leisure, parking and cultural services are budgeted to produce in excess of £13million of revenue income. The Council has experienced financial pressures from falling income in recent years, particularly in leisure services following the introduction of budget gyms in the sector whose charging structures are difficult to compete with, and in parking income as shopping and working habits have changed.

Medway Council's investment activity is primarily delivered to support the Regeneration of the area, while also being budgeted to contribute more than £1million to the Council's revenue budget. Regulatory bodies in the sector have highlighted that commercial activities and investments bring exposure to volatility in terms of revenue rental income and on any reductions in asset values on the balance sheet. The Council's exposure to investments is limited to property investments, both directly and through managed property funds however where the asset value of managed property funds falls, accounting standards now require any loss to be reflected in the I&E, meaning for Medway this would be a cost to the general fund. A temporary statutory override is currently in place but this expires at the end of the 2022/23 financial year.

The restrictions brought in to control the spread of Covid-19, and the resultant economic impact have resulted in significant shortfalls in income across all services throughout 2020/21, along with increased risk around income from property investments.

Inherent Risk Score: AI**Target Residual Risk Score: CII****Trigger**

Restrictions in place to reduce the spread of Covid-19 require the closure of income generating facilities, and/or where facilities are open social distancing measures reduce the number of visitors.

Events impacting the economy (such as the Covid-19 pandemic) may result in business failures, impacting rental income.

STRATEGIC RISK: SR49 NEW INCOME REDUCTION DUE TO COVID19

The statutory override granted on accounting for property funds ends before the council's property fund investments break even or turn a profit.

Consequence

- Reduction in / loss of rental income creating budget pressures.
- Negative impact on satisfaction ratings & high levels of complaints
- Services not provided at an acceptable level / facilities lack investment
- Accreditation impacts
- Long-term loss of business
- Reduction in asset value of managed property funds.
- Criticism from regulatory bodies including external audit

Opportunities and the way forward

Services are currently prioritizing ensuring the safe ongoing/return to operation following the latest restrictions.

Strategic Risk SR49: INCOME REDUCTION Mitigating Action: SR49.01 Priority is being given to structuring our operations to provide customers with confidence about returning to COVID-19 compliant facilities and events. The focus is on restoring income levels in 2021/22 once the current lockdown restrictions are eased. This will require ongoing support from the marketing and communications team.

Lead Officer: AD Culture and Community**Desired Outcome: Expected Output:**

The outcome from this is dependent on the speed at which the Lockdown is eased and consideration of the restrictions that may remain in place throughout 2021/22 (tbc). Milestone: 22nd February – new Government guidance.

High levels of awareness will be maintained amongst residents about new regulations and service provision as we move out of Lockdown. Milestone: TBC in response to new Government guidance.

Progress update. December 2020

Planning for recovery is underway across the service. Phased reopening plans have been developed including for Libraries and Community Hubs, Theatres and events and festivals. Reopening to pre-Covid levels and therefore income levels is dependent on a combination of government restrictions, public confidence and external commercial operations (e.g. theatre tour promoters).

A marketing recovery campaign is being developed.

The Sport Leisure, Tourism and Heritage service continues to evolve post-lockdown recovery plans. These include adapted activity and event programmes such as online classes, the development of outdoor sporting activities (likely to be encouraged by Government as an early post-lockdown measure) and use of digital media to promote attractions and activities.

Strategic Risk SR49: INCOME REDUCTION Mitigating Action: SR49.02 Medway's cultural programme and events losses will be minimised by developing new models for delivery

Lead Officer: AD Culture and Community

At some point in 2021/22 we will be able to deliver an alternative theatre and events programme that is COVID compliant. Milestone: 22nd February – new Government guidance

Progress update. December 2020

An alternative theatre and events programme are being developed and no new financial commitments are made until the alternative plan is agreed.

During lockdown Medway's heritage team has made use of digital media extensively, ranging from educational history talks to Dickens 150 celebrations. This will continue alongside an improved heritage events and exhibitions programme, focusing more effectively on telling compelling stories of Medway's heritage.

Strategic Risk SR49: INCOME REDUCTION Mitigating Action: SR49.03 Alternative uses will be identified for leisure centres and car parks during the pandemic e.g. testing centres, vaccination centres etc. To attract income or minimise any additional costs to Medway Council.

Lead Officer: AD Culture and Community

Medway facilities are already being used for alternative purposes and this will continue for the foreseeable future. Milestone: Until COVID requirements change or facilities can revert to business as usual.

Progress update. December 2020

Alternative uses are already in operation and are being kept under review.

Strategic Risk SR49: INCOME REDUCTION Mitigating Action: SR49.04 In the next financial year, a smart parking pilot will be implemented.

Lead Officer: AD Frontline Services

This will hopefully attract more motorists into the key town centre car parks to pay by card or to take advantage of frictionless options i.e., to set up an account.

Progress update. December 2020

Strategic Risk SR49: INCOME REDUCTION Mitigating Action: SR49.05 Enhanced promotion of our Front-Line trading services e.g. weddings, green space sports (tennis, pitch and put, football pitches).

Lead Officer: AD Frontline Services

Promotion activity will encourage usage once restrictions are lifted.
People will book and re booking weddings to increase income once restrictions lifted.

Progress update. December 2020

Recovery plans are currently being drafted for when Tier 4 restrictions are relaxed.

Strategic Risk SR49: INCOME REDUCTION Mitigating Action: SR49.06 Adults' Social Care

Lead Officer: AD Adult Social Care

Desired Outcome: Expected Output: Milestones

There is an increase in debt because of social care clients being unable to access bank/post office due to shielding. All debt is recorded and pursued through the ASC debt recovery process. However, debt recovery officers are unable to visit clients to establish repayment plans.

Progress update. December 2020

Debt recovery actions will continue