Q1 2026/27 SUMMARY OF RISK PERFORMANCE

Appendix 2

Risk Overview

Key: **Likelihood: A** Very likely **B** Likely **C** Unlikely **D** Rare **Impact: 1** Critical **2** Major **3** Moderate **4** Minor.

Live or Managed risk	Risk Ref	Risk	Inherent Risk Score	Q4 25/26 Previous Risk Score	Q1 26/27 Current Risk Score	Movement	Likelihood	Impact	Owner	Portfolio	Link to Council Plan
Live	SR03B	Insufficient budget funding	A1	B2	B2	Static	Likely	Major	Chief Finance Officer	Leader	Principles
Live	SR09A	Meeting the needs of Older People and Working Age Adults	A1	B2	B3	Decrease	Likely	Moderate	Director of People and Deputy Chief Executive	Deputy Leader	Priority 1
Live	SR09B	Failure to meet the needs of children and young people	B2	B3	B3	Static	Likely	Moderate	Director of People and Deputy Chief Executive	Children’s Services	Priority 1
Live	SR17	Delivering regeneration	B2	B2	B2	Static	Likely	Major	Director of Place	Climate Change and Strategic Regeneration	Priority 2
Managed	SR32	Data and information	B2	C2	C2	Static	Unlikely	Major	Director of People and Deputy Chief Executive, Assistant Director Legal & Governance, Chief Information Officer	Business Management	Values
Managed	SR35	Homelessness	B2	A2	B2	Decrease	Likely	Major	Assistant Director Culture and Community	Housing & Property	Priority 5
Live	SR36A	Medway Development Company Ltd	B1	C2	C2	Static	Unlikely	Major	Assistant Director Regeneration, Chief Operating Officer	Climate Change and Strategic Regeneration	Priority 5
Managed	SR37	Cyber Security	A1	C1	C1	Static	Unlikely	Critical	Chief Information Officer	Business Management	Principles
Live	SR46	Medway’s Economic Recovery	B2	B2	B2	Static	Likely	Major	Assistant Director Regeneration	Economic and Social Regeneration and Inward Investment	Priority 2
Live	SR47	Climate Change	A2	C3	B3	Increase	Likely	Moderate	Assistant Director Culture and Community	Climate Change and Strategic Regeneration	Priority 3
Live	SR54	Recruitment and Retention	B2	B2	B2	Static	Likely	Major	Chief Organisational Culture Officer	Business Management	Values
Live	SR56	Children’s Social Care Budget Pressure	A1	A2	A2	Static	Very likely	Major	Director of People and Deputy Chief Executive	Children’s Services	Priority 1
Live	SR57	Adult Social Care Budget Pressure	A1	A1	A1	Static	Very likely	Critical	Assistant Director Adult Social Care	Deputy Leader	Priority 1
Live	SR59	Local Government Reorganisation (LGR) and Devolution	B2	C2	C2	Static	Unlikely	Major	Head of Policy and Partnerships	Leader	
Live	NEW	Main office refurbishment programme – temporary decant and multi-site working			C2		Unlikely	Major	Strategic Service Manager – FM & Capital Projects	Housing and Property	Principles
Live	NEW	Facilities Management delivery brought in-house – compliance and building safety assurance			B1		Likely	Critical	Strategic Service Manager – FM & Capital Projects	Housing and Property	Principles

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Q1 2026/27 RISKS

Risk Ref	Risk	Inherent risk (before controls)	Impact	Current Controls	Current risk (after controls)	Proposed / Further Controls / Treatment Action	Target risk (after further action)
SR03B	Insufficient budget funding	A1	While demand and cost pressures on the council's statutory services have soared in recent years, the Institute of Fiscal Studies (IFS) has reported that across local government, core funding per resident fell 26% in the 2010s, and that increases in funding since the Covid19 pandemic have to date undone just one third of the cuts. Meanwhile, councils' ability to increase income locally to compensate has been largely capped at 5% by the continuation of the council tax referendum limits. The government's Spending Review 2024 resulted in the seventh consecutive one-year funding settlement for local government, severely limiting the ability of councils to plan for future resource levels. Since 2016, government departments have been consulting on proposals to implement the fair funding review; aiming to distribute funding more equitably based on relative needs and resources, which would result in increased funding for	Full Council on 13th November agreed to fund £44M for IPM S to design and build an 80 bed Medway operated care home providing 40 beds for dementia patients and 40 beds to those discharged from hospital and returning to their homes. The remainder of the site will provide bungalows for ASC. RIBA 3 is underway and planning application is due to be submitted Q2. This project is cross directorate, led by ASCH Commissioning and supported by Regeneration Delivery. IPM N procurement of a development partner has been approved by Cabinet to deliver the masterplan as agreed March 2025. In October 2025 Ground Control Ltd were appointed as the principal contractor to begin the development of Deangate Community Parkland. The phase 1 works include improvements to the car park, new pathways, fencing, various planting and a new viewpoint. The phase 1 works are due to complete this summer.	B2	Until the 2026/27 provisional settlement is published, it will not be possible to plan with any confidence for the next three years. The Finance team continues to improve the monitoring of council tax and business rates to enhance the accuracy of budget projections and has developed an approach to monitor the council's balance sheet and financial resilience more broadly. Officers continue to work with MHCLG, CIPFA and the external auditors around the existing capitalisation directions and conversations are ongoing in case further EFS is required. Officers and Cabinet members will continue to lobby government for more and fairer funding, including submitting robust responses to available surveys and consultations around the Settlement.	A2

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			Medway. Whilst no material changes have been implemented to date, it is hoped that these will be enacted in the form of a three year settlement for 2026/27 onwards and initial estimates look positive for Medway. It was necessary to seek government support through the Exceptional Financial Support (EFS) scheme, with the Ministry of Housing, Communities and Local Government (MHCLG) confirming ministers were 'minded to' agree capitalisation directions for both the 2024/25 and 2025/26 financial years. The MTFO indicates that further EFS will be required in 2026/27.				
SR09A	Meeting the needs of Older People and Working Age Adults	A1	We would not be meeting our statutory duties. Run the risk of reputational damage and challenge. Additional pressure on partner agencies such as health. More complaints.	EHP is experiencing ongoing challenges with permanent recruitment, which is creating financial pressure. While vacancies remain open and roles continue to be advertised, there has been limited improvement in application numbers. As a result, in order to maintain a safe and effective service, there is a continued reliance on locum staff. IDT continues to experience recruitment challenges, although this has improved recently. Both LTCS and Safeguarding have seen an improvement in recruiting permanent staff	B3	Capital investment opportunities to help manage demand. Service redesign in terms of outcomes. Focus on staff wellbeing and engagement. Work closely with the Kent and Medway Integrated Care Board, Medway and Swale Health and Care Partnership, and partners regarding Discharge to Assess funding. We proactively work with individuals, families, and other agencies to help people who have experienced ill-health or crisis to recover as quickly as possible, reducing their ongoing needs and helping them return home. We will increase independence and self-care for service users, which allows them to control their care through an increase in the use of Assistive Technology where appropriate. An Adult Social Care (ASC) Transformation & Improvement Programme has been introduced to drive the ASC Strategy's aims and objectives. Continue to work closely with providers who are working within contract rates.	C2
SR09B	Failure to meet the needs of children and young people	B2	Failure to meet statutory responsibilities to safeguard	Retention and recruitment of practitioners remain a priority which	B3	Continue to focus on recruitment, retention and career development of our staff.	C2

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			children from harm. Failure to meet the needs of the children in our care. Escalating financial costs of placements and wrap-around support packages. Sustained negative local publicity and reputational risk.	has seen positive continued locum to perm conversion. Recruitment campaigns remain live, up to date and evidencing a strong social media presence. The staff reference group continues to report a good morale across the service, visible leadership and that practitioners are able to share strengths as well as worries. Our focus on inspection remains relentless, as does our work to progress reforms and LGR. Focussed training on specific areas of practice is showing positive impact for children in our learning and reflection audits.		Continue to further develop opportunities for career development across the whole workforce. Additional capacity invested in Strategic Workforce Development Lead and Workforce officer posts to drive actions in the plan. Recruitment campaign to attract new social worker (SW) candidates to Medway. Refreshed governance workforce board and subgroups. Additional Human Resources (HR) resource to proactively target sickness absence and performance management. Increased focus on retention including stay and exit interviews. Simplify practice expectations – focus on children's lived experiences and on promoting quality and consistency of recording to evidence purposeful planning and intervention. Continue our evaluation work in respect of the application of thresholds so that we can be confident that children are supported at the right level. Continue the work already underway to strengthen the effectiveness of our intervention with children in need. Implement our plans to improve our response to neglect, ensure robust implementation of the use of the graded care profile, and ownership by our partners, and evaluate the difference this makes to children's lives. Continue the work to improve the quality of plans for children in need of protection. Fully implement the strategy in relation to contextual safeguarding for adolescents who are at risk outside the home/family and take time to reflect on themes from Return Home Interviews (RHIs), to create effective safety plans. Support frontline managers to oversee and reflect on practice to improve quality of plans and interventions.	

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						Focus on areas for improvement identified in the recent inspecting local authority children's services (ILACS) inspection report. Continue to focus on recruitment and retention of staff to avoid unfilled vacancies and therefore unmanageable caseloads. Implementing the project to re-open Eden House residential provision. The project is progressing, with opening estimated April 2024.	
SR17	Delivering regeneration	B2	Regeneration projects are not completed. Potential damage to the 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.	Full Council on 13 November agreed to fund £44M for IPM S to design and build an 80 bed Medway operated care home providing 40 beds for dementia patients and 40 beds to those discharged from hospital and returning to their homes. The remainder of the site will provide bungalows for ASC. RIBA 3 is underway and planning application is due to be submitted Q2. This project is cross directorate, led by ASCH Commissioning and supported by Regeneration Delivery. IPM N procurement of a development partner has been approved by Cabinet to deliver the masterplan as agreed March 2025. In October 2025 Ground Control Ltd were appointed as the principal contractor to begin the development of Deangate Community Parkland. The phase 1 works include improvements to the car park, new pathways, fencing, various planting and a new viewpoint. The phase 1 works are due to complete this summer. Land transfer for phases 4 and 5 at Rochester Riverside occurred in March 2026. Over 500 homes are	B2	The current regeneration programme is large and is being supplemented by the programme of works planned by Medway Development 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.	C2

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				now occupied, and phase 7 build is nearing completion. Ongoing regular dialogue occurs with Homes England to ensure that the team are in the best position to bid for funding as it becomes available. Debenhams - Procurement is underway for a multidisciplinary team to support the design and delivery of both the commercial (Integrated Hub) and residential elements of the project. A report will be presented to Cabinet in November, setting out the detailed costs of the Integrated Hub scheme and seeking approval to proceed with delivery. There is a risk that the final scheme costs could exceed the allocated budget, potentially impacting approval to proceed with delivery. In addition, a key funding milestone requires the residential land release to be completed by March 2027. Delays in obtaining planning consent could impact the programme and put delivery of this milestone at risk. Brook Multi-Storey Carpark - The Carpark has been declared surplus and will close on the 7 September 2026. There are 3 key risks to the project: 1. Disabled Parking Provision - The adjacent Solomons Road disabled car park will be required to close. Initially, this site will be used as the contractor compound and for site set up and subsequently incorporated into the residential development. A review of disabled parking provision has been undertaken, and appropriate mitigation measures have been agreed to offset the loss			

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				of 19 disabled parking spaces. 2. Pentagon Centre – Construction activity and the associated reduction in parking provision may create uncertainty for Pentagon Centre tenants, increasing the risk of lease terminations and a resulting loss of rental income. Officers are working closely with Pentagon Centre Management and the contractor to minimise disruption and mitigate these risks. 3. Gun Wharf Staff parking - The loss of parking at the Brook MSCP will impact staff parking arrangements at Gun Wharf. Officers are reviewing interim and long term potential solutions. There is also a significant financial and programme risk associated with the requirement to meet the BLRF milestones. Failure to achieve these milestones could result in the loss of external funding, which is critical to enabling the demolition and unlocking the site for development. • Overall, while risks are identified, these are considered manageable with appropriate mitigation and oversight and are outweighed by the strategic benefits of delivering new housing and regenerating a key town centre site. Local Plan - Additional consultation undertaken in June. Call for sites on G&T. Examinations due to start in September.			
SR32	Data and information	B2	Poor management and protection of data and information can lead to financial and reputational risks for the council. There are also safeguarding concerns that would be raised by regulators.	No changes to the current arrangement, and no update for this quarter. The risk remains the same.	C2	Review support for information governance within the organisation. Appoint a Deputy Senior Information Risk Officer (SIRO).	D3
SR35	Homelessness	B2	Increasing and unsustainable overspend of the allocated	The risk remains at the end of Q1 - this quarter has seen the start of the	B2	Continue to deliver outcomes attached to funding from the Department for Levelling	D3

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			budget. Poorer outcomes for children and vulnerable adults. Increased legal challenge and penalty from the Local Government and Social Care Ombudsman (LGO). Reputational damage. Failing to achieve Members' expectations.	implementation of the Renters Rights Act [RRA} and specifically the removal of section 21 [no fault] evictions. The quarter average for housing advice approaches has been 335 with a peak [353] in June, which was expected due to the RRA changes. Average monthly temporary accommodation placements have been 43, with a positive reduction in June to 37 despite an increase in approaches. Average move on for this quarter has been 47 households per month - this is still mainly via Kent Home Choice, but One Medway Lettings is increasing its effectiveness. Kingsley House remains open and housing needs main front door - collaborative works continues to work well with welfare benefits, housing options, domestic abuse and re-housing. TA remains high with the average nightly household [520 per month] with 69 households in TA owned and a reduced number of HRA TA - this will increase following discharge of homelessness duty following a placement review.		Up, Housing and Communities (DLUHC) to support existing activity around rough sleeping. Begin to design models for the cessation of funding as there is currently no more committed from 2025. Continue to purchase temporary accommodation (TA) units in line with the decision and borrowing approved by Council in January 2023. Monitor and evaluate success to create the case for further investment, should the evaluation justify it. Explore other alternatives for the provision of TA. Continue to maximise prevention opportunities and joint working to reduce the strain on households in TA.	
SR36A	Medway Development Company Ltd	B1	The business cases for the three main sites being developed by Medway Development Company (MDC) Ltd were agreed prior to the war in Ukraine and the subsequent economic volatility. These factors have led to high inflation impacting the cost and availability of both labour and materials. This in turn caused the Bank of England to increase interest rates. As well as affecting the cost of these developments, the resultant 'cost of living crisis' has affected the housing market.	No update this quarter Block A has been released and is now 52% let. Block E will be leased to the Council to help respond to its increasing TA numbers and is expected to commence in April following lease negotiations. We are still seeing demand from the market, which reinforces the decision to implement a switch from private sale to PRS. With Block E secured we will be 75% occupied across the entire portfolio and with steady demand, we expect this to reach	C2	Changes in the housing market brought about by increasing costs and higher interest rates have led to much more uncertainty with sales generally, however there are opportunities for Medway Development Company (MDC) Ltd. As house prices become out of reach for first time buyers looking to purchase in and around London, they may turn their attention to less expensive areas with good links to the city, such as Medway. Furthermore, we are seeing an increase in the private rented market, and the company is proactively set up to take advantage of this opportunity, which was agreed by Cabinet. By adjusting to private rented, the	D3

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				stabilisation within the next three months.		company can de-risk projects but also generate long term revenue streams or sell homes at a later date, when values have increased – this is expected to happen in Chatham, as the regeneration uplift builds, however, this is likely to take time. The other key opportunity is that the company is also able to lever in grants and work with the council to identify opportunities to help unlock projects. The company has been particularly successful in levering in grants, and this focus should continue to capitalise on future opportunities.	
SR37	Cyber Security	A1	Unauthorised access to council systems and data. Potential for data breaches. Loss of access to council systems and data for staff. Cyber security/ransomware attack may mean data is permanently lost. Potential damage to the council's reputation. Potential increase in costs to repair damage and restore systems.	Medway Council has now successfully migrated relevant corporate user licences from E3 to E5. This upgrade provides the following cyber security benefits: Advanced Cyber Security Posture: This upgrade moves us from a reactive security posture to a highly proactive one. It equips the ICT team with industry-leading tools to automatically detect and intercept complex identity, email, and data threats. Securing Hybrid Working: Microsoft E5 introduces advanced protections directly to individual staff accounts and devices. This ensures that whether staff are working from Gun Wharf, a community site, or from home, Council data remains heavily protected. Future-Proofing Data: This investment significantly mitigates the financial and operational risks associated with modern cyber threats, directly strengthening our compliance and data governance	C1	This risk has been managed to a target level of acceptable risk, and all mitigating actions have been implemented and so it is proposed that this risk be classified as a 'managed risk'. Due to the ever-present threat of cyber-attacks, and a rapidly changing environment, it is proposed that this risk remains on the council's strategic risk summary.	C2
SR46	Medway's Economic Recovery	B2	The Economy and Infrastructure Recovery Cell have produced an impact assessment outlining the main consequences of Covid19.	The numbers of those aged 16-24 who are NEET is increasing. Youth unemployment is growing into a significant challenge.	B2	Commercial moves out of London – Medway as an attractive place to locate and do business.	C2

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			24 impact areas have been identified and some of the most acute include: • A significant rise in unemployment with a disproportionate effect on young people, part-time and entry level roles, and those with insecure contracts, women, and people from ethnic minorities. • 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.	To help mitigate this, the Connect to Work programme is in its 2nd year, with the Education People and Forward Trust the delivery partners for Medway. It has been a successful first year. The youth guarantee has launched in Chatham JCP, aiming to provide six pathways to young people who are unemployed. Later this year, we will see a new programme come to Medway which will provide 6 month paid placements to young people unemployed for 6 months or more. Our construction training programme has seen over 130 young people trained with many being offered work. Adult Education is delivering 112% of its contract and is using the Crisis and Resilience fund to continue delivering. We are tailoring courses to support young people.		Rise in working from home / associated decline in commuting means residents spend more leisure and social time and money locally. Innovation Park Medway (IPM) plans reshaped to support the post-Covid19 economy. Opportunity to significantly advance digital inclusion for workers, learners and service users across Medway.	
SR47	Climate Change	A2	Potential damage to the council's reputation. Not able to meet member, government, and the public's expectations. Net zero by 2050 is not achieved.	Reporting on Year 1 progress against action plan shared with DMT, CMT and BSD Overview and Scrutiny Committee prior to going to Cabinet in August 2026. Headline results identify 35 of 42 of actions within the plan have been started in Year 1 (January-December 2025). More formalised reporting of actions to the Climate Oversight and Implementation Board introduced from April 2026 to ensure greater scrutiny and accountability for each of the actions; this is supported by new Sharepoint reporting system introduced for Q1 of 2026-27. This will enable greater focus on delivery against Council priorities and ambitions.	B3	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. Sufficient staffing is assigned to the tasks required in the plan.	D3

Risk Ref	Risk	Inherent risk (before controls)	Impact	Current Controls	Current risk (after controls)	Proposed / Further Controls / Treatment Action	Target risk (after further action)
SR54	Recruitment and Retention	B2	Lack of experienced staff with specialist skills. Low staff morale. Loss of productivity through quiet quitting. Industrial action impacting service delivery/performance. Reliance on interim and agency staff. Budget pressures due to use of agency staff and contractors to fill roles. Inability to perform statutory functions. Inability to meet service demands. Inability to develop and improve service delivery. Impact on delivery of projects to expected timescales. Reputational damage.	Recruitment market is proving difficult in some areas mainly due to the current LGR situation . Candidates are remaining in post often due to the fear of 'last in first out' if changes are needed in new authorities. Issues with current Category Management DPS Procurement Platform affecting agency supply. Closely monitoring this. New DPS framework to be introduced end of Q 2/Q3 which will rectify issues. Revised Redeployment Policy and Process now implemented and working well - Recruitment and ER meet weekly to ensure full support of staff in the Redeployment Pool MedPay PPP recruitment guidance for assessing levels A,B&C at interview are being finalised for roll out including comprehensive guidelines for Recruiting Managers and documents to support and reflect the new CPF Framework All MedSpace pages reviewed and updated providing more in-depth manager guidance to ensure a consistent recruitment approach and mitigate risk of unfair recruitment practices	B2	• Updated web and MedSpace paged by 31/10/2025 • Revised policies to support new CPF/PPP Recruitment guidance being prepared Full rollout of MedPay Review (by 31/03/2025). Benchmarked pay for all roles aligned to profession with the ability to move to acquire new skills and increase salary. Career pathways to support progression within the council. Revised performance management approach to ensure skills assessments and career conversations take place. Introduction of a talent management tool to identify future talent and single points of failure within the workforce (9 box development diamond). Revised market allowance framework. Revised policies to manage sickness and capability. Annual staff engagement and annual review of the employee engagement strategy. New council jobs site giving the ability to more creatively promote our teams and services and job/career opportunities is being built, as part of the Onboarding Project (January 2025). Annual pay uplift strategy/medium term uplift plans.	D3
SR56	Children's Social Care Budget Pressure	A1	Financial impact, not manageable within existing funds.	At the end of Q1, 27% of FIT savings have been achieved, and robust review of care packages and placements remains a priority. The cost of residential placements has increased which has led to more placements being made in placements costing between £6-9000. Our inhouse residential home will have 5 children in end of July, and building work on our LDA residential home is due for completion at the end of July, and registration process will begin. Planning has already begun to identify Children who may call this	A2	Continue to improve timing and forecasting of placements' expenditure by closer work between Children's Social Care (CSC), the Finance team and the Access to Resources Team (ART). Development work to take place in Mosaic to support financial recording at child level - to include breakdown of all elements of the child's care package - to support effective forecasting. Ensure action is taken to secure further Department for Education (DfE) funding if the opportunity arises. Effective forecasting of unaccompanied asylum-seeking children (UASC) placement expenditure and careful management of pressures related to additional staffing and	B3

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				home. Placement costs continue to significantly impact CSCs currently forecasted overspend, management actions are in place.		associated running costs. The first of the extended in-house residential provision (Eden House) is being mobilised and we are working towards Ofsted registration.	
SR57	Adult Social Care Budget Pressure	A1	Financial impact, not manageable within existing funds.	The pressure in Adult Social Care (ASC) continues to be a significant concern with a projected overspend of £26m if savings are not achieved. Analysis carried out by Partners in Care & Health in respect of the 24/25 budget has identified that while Medway's net current budget for ASC has increased by 70% in the period since 2018/19. The average increase in net current expenditure for unitary authorities over the same period is 85%, for Medway's CIPFA near neighbours the average increase is 93% and for Medway's NHS England Peers it is 96%. Medway's actual net current expenditure on ASC has increased by 70% in the same period, compared to an average increase of 79% for unitary authorities, 100% for CIPFA near neighbours and 84% for NHS England Peers. The Assistant Director ASC is spending four days a week for four months focussing on savings delivery with a view to reduce spend. It is important to note that this cannot be delivered by ASC alone and requires input from services across the council.	A1	Further improve timing and forecasting of placements' expenditure by closer work between Adult Social Care (ASC), the Finance team and Brokerage. Funding bid for increased Assistive Technology (includes artificial intelligence (AI) learning) to reduce/prevent/delay care. Complete review of ASC front door, to prevent/reduce/delay. Review available advice/guidance for self-funding residents to ensure funds are maximised. Kyndi is identifying Assistive Technology to trial that could be used 'instead of' some care calls. This can only be used where there is not a risk for the individual.	A2
SR59	Local Government Reorganisation (LGR) and Devolution	B2	Breakdown of relationships with neighbouring local authorities. Delay in progressing LGR could affect our standing with Government. Councillors and officers could be	1. Announcement – Government have now announced option 4B as the successful option for LGR in Kent and Medway. Work will now progress both within Medway and County level to progress the required legal steps and programme delivery to ensure we meet the required transition and	C2	The current strong collaboration will need to continue after the Government has made its decision over the shape of local government across Kent and Medway and the governance structures will need to evolve at each stage of the process through to the election of shadow councils and on to	C3

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			distracted from business as usual and the Council's wider ambitions. Reduced morale due to uncertainty, resulting in staff exodus and difficulty in recruitment. Public apathy and disengagement from democracy. Additional unfunded costs associated with LGR falling to the council taxpayer.	'safe and legal' requirements by Vesting day on 1 April 2028. We have established a Programme Management Office in Medway for LGR delivery who will feed in and contribute to county wide delivery with specific PMO delivery risk being a standing item at the fortnightly CMT LGR programme board meetings. 2.Judicial Review – following decision across those LGR areas in the country we understand some Council political leaders have indicated the possibility to seek Judicial Review. Whilst this presents some risk Kent Chiefs and Leaders, we are not aware of any Kent JR applications at the time of writing and both Chiefs and Leaders have agreed this will run a parallel process and not pause county-wide PMO and transition activity. 3. Relationships between Councils – Following decision Medway is fully engaged in the County wide programme with Richard Hicks acting as Deputy SRO. Internal preparations are underway at Medway and engagement with neighbouring councils will continue following the decision to support constructive working relationships and programme progress. 4. Recruitment to the County PMO - interviews for these roles (first stage) are now complete with 2 members of staff appointed from Medway to join the County wide team, both from within policy and partnerships. Work is underway to address the vacancy gaps in this area with wider applications on service specific roles underway through the agreed LGR		vesting day and beyond.	

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				resource funding envelope previously agreed by Cabinet.			
NEW	**Main office refurbishment programme – temporary decant and multi-site working** As part of the refurbishment of the main office site, staff are being temporarily relocated to alternative locations, with the intention of returning to the refurbished main office in 2027. During the refurbishment and decant period there is a risk that dispersed working arrangements, reliance on temporary accommodation, and ongoing construction activity may adversely impact service delivery, staff productivity, operational resilience and costs.		• Workforce operating across multiple temporary locations, reducing efficiency and collaboration. • Limited or constrained access to specialist facilities, equipment or processes normally delivered from the main office. • Increased dependency on ICT and remote working capability, with risk of service disruption if capacity is insufficient. • Some functions may only be deliverable from specific locations, leading to delays or backlogs. • Increased travel time and costs for staff and managers. • Potential financial impact due to additional costs including: • Temporary accommodation and room hire • ICT equipment and connectivity • Storage, printing and postage • Travel and subsistence • Risk of reduced service performance affecting income streams (e.g. statutory notices, billing or enforcement activity). • Reputational risk if services are delayed or customer expectations are not met during the refurbishment period. • Health, safety and wellbeing risks associated with temporary workplaces and ongoing construction activity.		C2	• Clear decant strategy and programme governance for the refurbishment and phased occupation. • Identification and approval of suitable alternative locations with sufficient capacity and compliance. • ICT provision planned and prioritised to support multi-site and remote working. • Agreed priorities for use of specialist facilities and shared resources. • Regular communication with staff on locations, timescales and working arrangements. • Health and safety assurance for all temporary locations and construction interfaces. • Ongoing monitoring of costs and service performance during the refurbishment period. • Business continuity plans reviewed and updated to reflect temporary working arrangements.	

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			• Programme risk if refurbishment timescales extend beyond 2027, prolonging these impacts.				

NEW	**Facilities Management delivery brought in-house – compliance and building safety assurance**
	
	Facilities Management delivery has transitioned from the Medway Norse Joint Venture to an in-house FM model after 13 years. There is a significant risk that historical weaknesses and current gaps in statutory compliance and building safety may persist or worsen during the transition period if controls, resources, systems and assurance arrangements are not fully embedded and robust.
			• Non-compliance with statutory building safety and asset management requirements, including:
			  • Fire safety
			  • Legionella control
			  • Asbestos management
			  • Gas safety
			  • Electrical safety
			  • Lift maintenance and inspection
			• Increased risk to the health and safety of staff, service users, contractors and the public.
			• Increased likelihood of enforcement action, prohibition notices or prosecution by regulators.
			• Potential invalidation or restriction of insurance cover if statutory requirements are not met.
			• Reputational damage arising from failures in building safety governance and corporate landlord responsibilities.
			• Financial impact due to remedial works, emergency compliance actions, external audits or fines.
			Reduced confidence at corporate and member level in the Council's ability to discharge its building safety and landlord duties.
					B1	• Establishment of clear corporate landlord governance and accountability for compliance and building safety.
						• Comprehensive review and validation of statutory compliance data across the property portfolio.
						• Prioritised action plan to address known compliance gaps and high-risk assets.
						• Development and agreement of a clear suite of FM compliance KPIs covering all statutory areas.
						• Monthly reporting of compliance performance and exception management to the Corporate Landlord Board.
						• Implementation or strengthening of appropriate systems to manage inspection regimes, certification and remedial actions.
						• Use of competent, accredited contractors and assurance processes where specialist expertise is required.
						• Regular internal audit, spot checks and independent assurance to validate compliance performance.
						• Ongoing training and development for FM officers to ensure competency in statutory compliance management.	