

Key Strategic Risk Register ~ Risks & Issues Combined



Risk Owner	Code & Name	Risk or Issue	Risk Description	Cause(s)	Consequences(s)	Impact Code	Matrix	Current Score & Review History	
Head of Future Merton	CC01 / KSR84 Implementation of the Climate Action Plan	Key Strategic Risk	Merton's Climate Action Plan is prepared by FutureMerton, but the delivery of the Council's climate objectives sits with every team, particularly services with buildings and vehicles specific to their service. The risks associated with the delivery of the climate action plan should remain a corporate risk as the mitigation measures are council-wide.	Due to the complexities and uncertainties of achieving decarbonisation, there are a number of potential causes: (a) National policy framework is uncondusive to local action (either through an ineffective policy framework of through lack of finance) (b) Lack of robust evidence/ expertise to assess greenhouse gas emissions and track progress (c) The estimated costs of implementing the actions are very high or very uncertain (d) Lack of control over the majority of emissions and therefore a reliance on behaviour change of Merton's residence and businesses (e) Lack of commitment/ resources of key Officers in all departments who would need to commit to actions and subsequently implement them	Failure to get an action plan which was fit for purpose may result in Merton not playing its part in mitigating the dangerous effects of climate change – as set out in the declaration of a climate emergency that was unanimously passed at Council. It would also mean not delivering against commitments set out in the (revised) Climate Change Act and the Mayor's 1.5 degree compatible climate action plan. This may result in a loss of public confidence and reputation damage for Merton council.	FI/ R		28-Mar-2024	16
								03-Jan-2024	16
								18-Sep-2023	16
								29-Jun-2023	16
Control Actions	Recruitment of retrofit officers was successful. A Climate Officer post has just become vacant (March 2024) Recruitment underway Despite full funding and posts and recruitment the following posts to deliver the climate plan remain vacant (outside future Merton): Facilities Management buildings surveyor post. Fleet management carbon reduction post							Date Provided	28 Mar 2024
								Score without Current Mitigating Actions	20 (Impact 4 x Likelihood 5)
								Risk Date Added to Register	04-Sep-2019

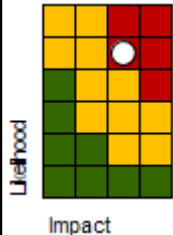




Risk Owner	Code & Name	Risk or Issue	Risk Description	Cause(s)	Consequences(s)	Impact Code	Matrix	Current Score & Review History		
Managing Director South London Legal Partnership/ Director of Policy, Strategy and Improvement	CG05 / KSR79 Data Protection Compliance	Key Strategic Risk	We may fail to comply with the requirements of Data Protection legislation	- inappropriate processing, use, retention, access or inaccuracy of data - staff insufficiently aware of requirements of Act and other legislation	Harm to service users, through breach of privacy (could result in physical harm); loss of services; damage to reputation; financial impact on council through ICO fines; key stakeholders lose confidence & may not share data with the council	FI & R		▲	01-Mar-2024	12
								▲	28-Nov-2023	12
								▲	04-Sep-2023	12
								▲	02-Jun-2023	12
Control Actions Page 32	FOI/SARS response rate is improving largely due to weekly reports being sent to EDs re: o/s ones.							Date Provided	01 Mar 2024	
	Dapian/IAR software for online DPIAs and the IAR now operational and work to update Information Asset Register due to start..							Score without Current Mitigating Actions	20 (Impact 4 x Likelihood 5)	
	ARM redaction software contract entered into, training in progress.							Risk Date Added to Register	30-Apr-2012	
Audit report on Sharepoint permissions reviewed and new / additional control actions agreed.										

Risk Owner	Code & Name	Risk or Issue	Risk Description	Cause(s)	Consequences(s)	Impact Code	Matrix	Current Score & Review History	
Executive Director Innovation and Change	CPI41 / KSR53 Equalities duties	Key Strategic Issue	We may be in breach of Equalities legislation regarding new policy development, designing services and decision making (formerly RE11)	- insufficient evidence to demonstrate how equalities implications have been considered	- reputational impact for council - risk of judicial review & litigation - negative impact on service users - loss of savings.	R		01-Mar-2024 01-Dec-2023 05-Sep-2023 02-Jun-2023	9 12 12 12
Control Actions	E,D&I strategy for the period 2-24 to 2026 adopted by Council on 07 February 2024, which ensures compliance with EHRC requirements over the period to 2026. EIA template and guidance review in progress. No new control measures required. Risk score reduced as a result of adoption of new E,D&I strategy, so we are properly in compliance with EHRC requirements.							Date Provided	01 Mar 2024
								Score without Current Mitigating Actions	15 (Impact 3 x Likelihood 5)
								Risk Date Added to Register	30-Apr-2012

Risk Owner	Code & Name	Risk or Issue	Risk Description	Cause(s)	Consequences(s)	Impact Code	Matrix	Current Score & Review History	
Executive Director Finance & Digital / Head of IT Service Delivery	DIG02 / KSR83 Risk of Cyber attack on the Council's IT Infrastructure and Systems	Key Strategic Risk	A cyber attack is any intentional effort to steal, expose, alter, disable, or destroy data, applications or other assets through unauthorized access to a network, computer system or digital device. The Council must facilitate the use of digital information and services whilst providing sufficient protection against a cyber attack. There is an increasing number of successful cyber attacks on public sector bodies. The risk of Merton coming under a cyber attack which eventually is successful is increasing.	There are many risk factors that are associated with Cyber-attacks that could impact Council systems and services. In general there has been an increase in cyber related incidents targeted towards disruption of systems but this has pivoted towards exploiting third party supply chains as well as directly targeting the organisation. The main vectors for successful attacks are associated with phishing of staff (poor password hygiene and training standards), direct intrusion either as a result of a successful phish or by brute force at the various points that our systems are exposed to the internet, or by exploiting poorly managed legacy systems or services relating to previously reported vulnerabilities.	<ul style="list-style-type: none"> •An attack could lead to the loss of service and this could be a threat to life for vulnerable clients •An attack could lead to the publication/loss of personal or commercially sensitive data •An attack could lead to the loss of income or legal recompense •An attack would also lead to a loss of reputation for the Council 	R		29-Feb-2024	16
								04-Jan-2024	16
								28-Nov-2023	16
								17-Jul-2023	16
Control Actions	<p>The release of information relating to the equipment and other measures that the council has or is putting in place to minimise the risk and subsequent impact of a Cyber Attack is highly sensitive and could in itself undermine our cyber security strategy and defences.</p> <p>As a minimum the authority endeavours to adhere to NCSC guidance and other recognised industry best practice, which includes providing regular updates and reports on emerging risks and issue to CMT and Members. In addition, the Council have also commissioned a number of independent external cyber security audits, including one in 2023 by the LGA which included a recommendation to create a new Cyber Security managers post to co-ordinate the various workstreams and oversee the delivery of an agreed improvement plan.</p> <p>current risk is low The risk to a cyber-attack is high, and the Global risk environment is increasing and even with these mitigations we would put the risk at 16</p>							Date Provided	29 Feb 2024
								Score without Current Mitigating Actions	16 (Impact 4 x Likelihood 4) <i>Unchanged due to Global Climate</i>
								Risk Date Added to Register	08-Feb-2021

Risk Owner	Code & Name	Risk or Issue	Risk Description	Cause(s)	Consequences(s)	Impact Code	Matrix	Current Score & Review History	
Director of Resources	FIN01 / KSR49 Corporate Business Plan & Balanced Budget	Key Strategic Risk	We may fail to develop a corporate Business Plan & set a balanced budget for the next financial year & beyond	<ul style="list-style-type: none"> - Reduction in Government Grant - high level of inflation and utilities costs - ensuring DSG deficit is cleared 	<ul style="list-style-type: none"> - continued savings programme may have a negative impact on service provision - failure to set a balanced budget is likely to damage the council's reputation - continued reduction in real terms budget may have a negative impact on staff morale - dissatisfaction of internal & external customers 	FI		11-Mar-2024	15
								30-Nov-2023	15
								05-Sep-2023	15
								16-Jun-2023	12
Control Actions	<p>Council approved a balanced budget and council tax for 2024/25 on 6 March 2024. Moving forward to 2025/26 and beyond, the MTFS shows a gap of £10.6m in 2025/26 rising to £15.6m in 2027/28. With economic uncertainty ahead of a pending general election due within the next year, funding for local government is expected to come under pressure and this will have implications for council services.</p> <p>The risk score remains high as future financial years remain unbalanced and local government funding is uncertain. The MTFS will be updated with information from account closure expected in May/June 2024 and as the budget process for 2025/26 develops..</p>							Date Provided	11 Mar 2024
								Score without Current Mitigating Actions	24 (Impact 4 x Likelihood 6)
								Risk Date Added to Register	30-Apr-2012

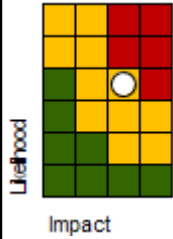


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Director of Resources	FIN02 / KSR61 Annual Savings Programme	Key Strategic Issue	Failure to deliver the savings which leads to in year overspends and if ongoing impact on the assumptions to set a balanced budget in the MTFS	We are unable to achieve some of our planned savings due to the changing financial and economic environment facing the Council and its residents.	<ul style="list-style-type: none"> - we are currently delivering approx. 59% of our 23/24 savings (Oct 23 Mon) - if this continues into 2024/25 it will have an adverse impact on the authority's ability to balance its budget in the medium to long term - gap is larger than the contingency - we are required to reinstate reserves 	FI		28-Mar-2024	18
								18-Dec-2023	18
								04-Sep-2023	18
								02-Jun-2023	18
Page 36 Control Actions	Detailed focus via CMT and Cabinet on the delivery of savings together with mitigations or potential replacements for those that are proving challenging. Ultimately resources will need to be redirected should the non-delivery continue.							Date Provided	28 Mar 2024
	Regular review of progress on delivery via monthly Budget Monitoring reporting, Govt returns etc.							Score without Current Mitigating Actions	24 (Impact 4 x Likelihood 6)
	Budget Managers are be asked to review options if income shortfalls are continuing							Risk Date Added to Register	31-Oct-2012
	Ensuring speedy distribution of Govt grants to those most affected.								
Routine monitoring of impacted staff.									
Enhanced Budget Monitoring									

Risk Owner	Code & Name	Risk or Issue	Risk Description	Cause(s)	Consequences(s)	Impact Code	Matrix	Current Score & Review History	
Executive Director Housing and Sustainable Development	HOU04 / KSR93 Housing Supply	Key Strategic Risk	Lack of Housing Supply combined with increasing issues of affordability in respect of existing housing stock impacts on the Council's abilities to meet its statutory duties; to achieve the administration's priority ambitions for the borough; and to recruit and retain staff.	Increased Demand via Housing Register, Homeless Applications and Rough Sleepers Lack of turnover of existing social housing tenancies Lack of new build (across all tenure types) Increased competition in private rented market Rising house prices and rents 'price out' an increasing proportion of the population.	Increased number of households in Temporary Accommodation, including accommodation outside of the borough, and associated General Fund costs. Threat of legal challenge Increased use of B&B for families for longer than 6 weeks resulting in legal challenge and/or scrutiny from Govt Reputational risk and increasing resident dissatisfaction. Increased numbers of rough sleepers Inability of Council to deliver on administration priority ambitions. Inability to provide a longer term solution for refugees and asylum seekers looking to settle in the borough, which impacts on the Council's ability to maintain credibility as a Borough of Sanctuary.	R, SP		 28-Mar-2024	15
								 20-Mar-2024	15
								 03-Jan-2024	12
								 28-Sep-2023	12
Control Actions	Building Council homes to provide long term social rented accommodation. A pipeline of around 700 units has been identified, although this will be over a number of years.						Date Provided	28 Mar 2024	
	Working with developers and housing associations to increase development in the borough and particularly the number of affordable homes.						Score without Current Mitigating Actions	20 (Impact 4 x Likelihood 5)	
	The increase in the score is due to increasing pressure from asylum seekers presenting as homeless as the Home Office clears the backlog. Likelihood increased from 4 to 5.						Risk Date Added to Register	16-Feb-2023	

Risk Owner	Code & Name	Risk or Issue	Risk Description	Cause(s)	Consequences(s)	Impact Code	Matrix	Current Score & Review History		
Head of HR Advice and Consultancy	HR07/ KSR91 Recruitment and Retention of Staff	Key Strategic Issue	Difficulty recruiting and retaining staff which results in an inability to deliver essential and statutory services	It is a candidate led market at the moment and all organisations are struggling to recruit. Candidates are also looking for high levels of flexibility from their employers. Unemployment rates are very low and there are more jobs being advertised than people available	Inability to attract and retain good quality candidates/staff. Service delivery could be affected especially those to vulnerable clients or to deliver statutory services/activities	SP - Service Provision			01-Mar-2024	12
									29-Nov-2023	12
									04-Sep-2023	12
									02-Jun-2023	12
Control Actions	Updated website with new branding, easier to use for candidates.							Date Provided	01 Mar 2024	
	Review family friendly policies to make Merton an employer of choice amongst similar organisations.							Score without Current Mitigating Actions	15 (Impact 3 x Likelihood 5)	
	Pay review for senior posts bringing Merton in line with inner London Local Authority pay							Risk Date Added to Register	19-Jan-2023	
	Review of NJC posts planned									
E, D and I focus on recruitment ensuring barriers are removed/mitigated										

Risk Owner	Code & Name	Risk or Issue	Risk Description	Cause(s)	Consequences(s)	Impact Code	Matrix	Current Score & Review History		
Executive Director Children's, Lifelong Learning and Families / Executive Director Adults Social Care, Integrated Care and Public Health	KSR92 Safeguarding of children and vulnerable adults	Key Strategic Risk	Failure to implement Safeguarding good practises and procedures or insufficient allocation of resources results in an avoidable safeguarding incident leading to serious injury or loss of life.	<p>Serious failing in safeguarding duties, practice and procedures resulting in harm to a child / children or vulnerable people. A notable, high profile or systemic safeguarding incident or Local Child Safeguarding Practise Review that draws significant reputational harm to the borough</p> <p>Systemic failings in safeguarding duties under the relevant legislation relating to children and vulnerable adults.</p> <p>Rising demand and/or workforce shortages relating to referral routes (MASH, Children Social Care) or to services managing Safeguarding enquiries and investigations. Failure of referral routes and/or failure by partners to identify risk and refer accordingly.</p>	<p>Serious incidents of harm/abuse of children or vulnerable adults, including deaths or multiple deaths.</p> <p>Reputational damage to LBM.</p> <p>Risk of legal challenge and significant associated costs.</p> <p>Secretary of State intervention</p> <p>OFSTED / CQC intervention</p> <p>Cost of recovery action. Increasing placement costs.</p> <p>Impact on service delivery models and pathways.</p>	R		▲	27-Mar-2024	8
								▲	08-Jan-2024	8
								▲	18-Sep-2023	8
								▲	18-Sep-2023	8
Control Actions	<ul style="list-style-type: none"> • Robust supervision, regular review of performance information and audit processes in place to ensure effective safeguarding practice. • Developing a new Mosaic embedded supervision template. • Continued robust implementation of, and compliance with the London Safeguarding Children Procedures and Practice Guidance and for vulnerable adults the London Multi[1]Agency Safeguarding Policy and Procedures. • Robust Independent Chairing and support arrangements for Children's and Adults Safeguarding Boards Recruitment of additional resource at times of acute demand increases 							Date Provided	27 Mar 2024	
								Score without Current Mitigating Actions	20 (Impact 4 x Likelihood 5)	
								Risk Date Added to Register	16-Feb-2023	

Risk Owner	Code & Name	Risk or Issue	Risk Description	Cause(s)	Consequences(s)	Impact Code	Matrix	Current Score & Review History	
Head of Education/ Executive Director Childrens, Lifelong Learning & Families	LL03 / KSR95 DSG Safety Valve	Risk	That the Council fails to deliver its DSG Safety Valve programme	Countervailing forces such as post-COVID demand and inflation, competition with other LAs for resources, failure to deliver the stated actions, failure to work with partners and providers effectively,	This is a significant cost for the council to fund if the budget is not balanced in line with the Safety Valve programme and the impact on the MTFs; reputational damage and support funding of £2.6m from the DfE at risk if we don't demonstrate progress.	FI		27-Mar-2024 16 02-Jan-2024 16 15-Sep-2023 12 28-Jun-2023 12	
Control Actions Page 40	<p>We continue to submit our quarterly monitoring report, which shows good progress against all conditions and a significant stabilisation of activity levels. We are behind this year's deficit target and persistent high inflation is a threat to commissioning savings.</p> <p>High inflation and smaller than expected increase in high needs budget, as well as a risk to the new school being delivered in time has increased this risk.</p> <p>The DfE are happy with Merton's progress and made a forward funding of 0.95m in 23/24</p>							Date Provided	27 Mar 2024
								Score without Current Mitigating Actions	
								Risk Date Added to Register	24-Jun-2022

Risk Owner	Code & Name	Risk or Issue	Risk Description	Cause(s)	Consequences(s)	Impact Code	Matrix	Current Score & Review History	
Head of Education/ Executive Director Childrens, Lifelong Learning & Families	LL04 / KSR96 School Budget Deficit	Risk	School Deficit Budgets become a liability for the future of a school or a liability for the council. School budget deficits exacerbated by falling primary school rolls	Funding from government not matching increased costs to schools. Schools are funded according to pupil numbers so falling rolls can lead to reduced economies of scale and class sizes that do not match funding. Approximately 1/3 of LA maintained schools have set a deficit budget resulting in total deficit budget of nearly £2 million. Total forecast deficit at end of 23/24 currently sits at £2.456m	Schools may not be financially viable which may result in the council being liable for the costs.	FI		 27-Mar-2024	12
								 02-Jan-2024	12
Control Actions	<p>Monthly table top monitoring of all schools' own budget forecasts to understand the direction of travel of deficit recovery (for those who have set a deficit budget) and to monitor other schools which may be headed in the direction of needing to set a deficit budget in the future.</p> <p>Termly meetings with all schools where the licensed deficit budget is greater than £100,000. Discuss how school returned to a balanced position within a maximum of three years. This will involve support and challenge from School improvement and Finance working together to produce a deficit recovery plan with the Head and Chair of Governors.</p> <p>Additional termly meetings with schools where a deficit budget of less than £100,000 has been set, but the direction of travel towards recovering the deficit is going in the wrong direction.</p> <p>Half termly 'support and challenge' style meetings for schools where there are particular concerns. At the moment there are two schools which fall into this category</p>							Date Provided	27 Mar 2024
								Score without Current Mitigating Actions	
								Risk Date Added to Register	02-Jan-2024

Risk Owner	Code & Name	Risk or Issue	Risk Description	Cause(s)	Consequences(s)	Impact Code	Matrix	Current Score & Review History		
Director of Public Realm/ Head of Waste and Street Environment	TWSC08 / KSR94 Waste Services Change of Delivery Model & Mobilisation	Key Strategic Risk	Waste Collection Retendering and implementation of the new service may be affected due to the lack of market providers, and this may have the potential to impact street cleansing service mobilisation.	The Authority is tendering its Waste Collection Service the new contract is due to commence on 1st April 2025, this is at the similar timing of three neighbouring boroughs, which has the risk of causing pressure in the marketplace.	There are two primary risks to this process: <ul style="list-style-type: none"> • There are limited or no suitable bidders for the service • The bids submitted for the service are considerably higher than budget provision 	FI & R		✓	22-Mar-2024	3
								✓	22-Mar-2024	3
								✓	22-Mar-2024	3
								⚠	18-Dec-2023	9
Control Actions	The council has received 4 compliant suppliers which have been taken to the next stage. Because of this the risk has been downgraded and the 1st stage of requesting removal has been requested.							Date Provided	22 Mar 2024	
								Score without Current Mitigating Actions	12 (Impact 3 x Likelihood 4)	
								Risk Date Added to Register		