

List of existing corporate risks from current councils

This Annex provides the titles and descriptions of all risks that appear on the most recently published corporate/strategic risk registers for each council: Elmbridge, Epsom & Ewell, Mole Valley, Reigate & Banstead, Surrey and Tandridge.

Elmbridge

Risk Title/ Description
The reorganisation of local government would mean that Elmbridge will no longer be a legal entity: Potential impacts of the transition include, Operational (recruitment and staff retention) Managing the transfer to the new authority would include Reputational and some Financial risks (any additional costs to ensure a smooth transition).
Changes in national economic conditions beyond the Council's control including the effects of welfare reforms, government and other external funding; other legislation and regulations; and the detrimental effect of cost-of- living crisis may result in adverse service planning conditions and / or significant loss of income.
Major changes in the property market may result in a loss of rental income generated from the Council's property portfolio having an impact on the Council's sustainability.
The Health and Safety at Work Act 1974 imposes a general duty on employers to ensure the health, safety and welfare of their employees and non-employees. If the Council fail to have good Health and Safety arrangements in place, this could lead to death or serious injury to Members, Officers, contractors, or members of the public. Non-compliance with the Health and Safety Act 1974 can lead to severe consequences for the Council.
Reduction in / elimination of grant funding from external bodies including central government and Surrey County Council may result in a failure to address the ongoing revenue funding gap identified in the Council's medium term financial strategy which could have a seriously adverse effect on the Council's ability to deliver essential services.
A breach of the Council's cyber-security protections may result in a ransomware attack which could have a seriously adverse effect on the Council's ability to deliver essential services.
Skill shortages, salary expectations and insufficient development opportunities may result in a failure to retain and recruit suitable calibre staff and volunteers which could have a seriously adverse effect on the Council's ability to deliver essential services.
Climate Change is a global emergency which requires a global response. The impact of climate change and associated severe weather conditions may result in an increased risk of flooding, windstorms, heat related adverse health conditions including heat stroke and invasion of non-indigenous pests. These changes could result in a significant risk to the Council's reputation if it is perceived that the Council has not taken sufficient action following the declaration of a climate emergency.

Risk Title/ Description
Financial instability, poor risk management and inadequate contract administration may result in the failure of major contractors which could have a seriously adverse effect on the Council's ability to deliver essential services and damage to the Council's reputation.
Local Authorities are bound by statute. Failure to comply with statutory duties or other legal responsibilities including those arising from legislation may result in claims being made against the Council and damage to the Council's reputation.
Data Protection is governed by the UK GDPR and the Data Protection Act 2018. Failure to demonstrate compliance, failure to respect individual rights and failure to implement appropriate data security measures may result in ICO or other investigation and sanctions / fines imposed and damage to the Council's reputation.
Inadequate planning, lack of coordination among responders and insufficient resources may result in the failure to react appropriately to a major civil emergency within or adjacent to the Borough (e.g. mass protest, politically motivated crime, terrorism, mass absenteeism, flooding, pandemic, etc.) which could result in a significant risk to the Council's reputation if it is perceived that the Council has not taken sufficient action following the emergency.

Epsom & Ewell

Risk Title/ Description
Risk of homelessness expenditure exceeding budget provision
Failure or interruption to IT services
Implications of local government reorganisation
Failure to deliver a local plan / Local plan found unsound at inspection
Failure in key statutory services
Shadow Authority Election
Failure to comply with GDPR/Data protection
Failure to balance the budget annually & MTFS
Failure to deliver the climate change strategy
Non-compliance with safeguarding legislation, internal policies, and best practice.
Failure to successfully prevent a significant health and safety incident
Failure to deliver a safe/compliant working environment at the Town Hall
Failure to respond effectively to a major incident or civil emergency

Mole Valley

Risk Title/ Description
Financial sustainability: There is a risk, due to the national economic climate, action taken in response to Local Government Reorganisation and the recent review of local government finance, that the Council is unable to balance its budget, without impacting significantly on service delivery and performance. The pressures that MVDC face are to a large extent shared by our contractors and neighbouring councils.
Reduction in capital value of and rental income from Investment Properties: Rents from our investment property portfolio are a key source of income and the capital value of the property is a significant asset on the Council's balance sheet. This risk is informed by a number of factors including the national economic climate; uncertainty in the property and financial markets; recent government budget changes (e.g., to national insurance); potential reform (or lack of reform) of business rates; material changes in the way of doing business such as online shopping and hybrid working.
Corporate Health and Safety: MVDC needs to provide services in a safe manner that protects the health and safety not just of its employees but also members of the public, trainees, contractors, Members and those who undertake work on behalf of MVDC. If we fail to have good Health and Safety arrangements in place, this could lead to loss of service and / or preventable accidents to and ill health of staff, contractors, public or others affected by our undertakings. This is of particular importance due to the nature of some of the services we provide to the public and vulnerable people.
IT systems - b) Risk of hacking: VDC typically blocks thousands of malicious attempts daily to access MVDC systems and data. The majority are blocked by technical measures. The most significant contributor to this risk is that MVDC employees and members may, for example, inadvertently click on malicious links or attachments in Phishing emails.
Data Protection / Information Governance: MVDC needs to make sure that personal data is secure and only processed in accordance with the relevant legislation and that an individual's right to privacy and other access rights are protected, including consideration and monitoring in preparation for Local Government Reorganisation. If we fail to effectively act on and embed standards and procedures that enable us to do this, this could lead to distress and harm for data subjects, a loss of public trust, financial penalties to the organisation, or other regulatory action as imposed by the Information Commissioner's Office.
Organisational capacity to deliver: If we fail to ensure that the organisation continues to have the capacity to achieve the priorities in the Annual Plan, and ensure the effective delivery of services, this could have serious implications particularly in relation to statutory services ultimately leading to service failure and/or reputational implications.

Risk Title/ Description
Safeguarding: MVDC needs to ensure that all employees are aware of the organisation's responsibilities in relation to safeguarding children and vulnerable adults. This means being able to identify signs of concern and knowing when to share information and to report those. It also means ensuring that employees follow safe practice when delivering services. Due to the impact of ongoing economic uncertainty, more people continue to be vulnerable to changes in circumstances, financial or otherwise. This risk is also informed by the impact of local government reorganisation. The transition of Mole Valley's safeguarding will be considered in light of the shift of functions into the East Surrey Council. MVDC also needs to ensure that there is an appropriate response in place in the event of a Domestic Abuse Related Death Review or involvement in a Child Safeguarding Practice Review or a Safeguarding Adults Review.
Climate Change: In declaring a Climate Emergency, MVDC has recognised the current environmental tipping point and is working towards being carbon neutral by 2030. MVDC is committed to making a positive contribution at a local level through the implementation of the Climate Change Strategy for Mole Valley. The risk is that MVDC fails to deliver the Climate Change Strategy, meaning that we do not to maximise achievement of carbon reduction and /or fail to maximise support to businesses and residents. This risk is informed by the way we manage our workforce, estate and operations, coupled with competing priorities for financial resources, to assist in reducing our carbon footprint and make Mole Valley more resilient to the impacts of climate change.
Asset Redevelopment and Regeneration: Proposed re-developments and regeneration schemes which are likely to result in asset disposals and capital receipts fail to proceed. This could lead to capital receipts not being realised or receipt delayed. Where assets are identified for redevelopment, regeneration or disposal this could limit the Council's ability to lease the assets because of the need to retain flexibilities to facilitate the the development scheme. Prolonged delays can lead to project viability challenges resulting in higher expenditure and lower capital receipts as well as unnecessary revenue and capital costs in relation to asset maintenance/management as a result of the delay.
Emergency Planning: MVDC needs to make sure that arrangements are in place to ensure an effective response in an emergency situation. As a Category one responder MVDC is required to comply with the duties set out in Civil Contingencies Act 2004. If we fail to act effectively, this could lead to distress and harm, a loss of public trust, and a failure to provide civil protection to residents, businesses and the wider community.

Risk Title/ Description
Contract Management: Contract Management across the organisation is inconsistent. Despite corporate contract management guidance and some areas of good practice, we have found that contracts may not be consistently recorded on the Council's contract register and that monitoring of expenditure against contracts and supplier performance by contract managers is inconsistent across the organisation.
Waste services: Waste collection and street cleaning are statutory duties under the Environmental Protection Act 1990, with the waste collection service being a service that is delivered to every household. Following a successful procurement, the four partner authorities, Mole Valley District Council, Elmbridge Borough Council, Surrey Heath Borough Council and Woking Borough Council, approved the award of contract to Veolia, and that decision was also approved by both East and West Surrey Shadow Authorities in July 2026. The contract with Veolia and the underpinning inter authority agreements were signed in August 2026, which provides ten months to manage the mobilisation of the contract by Veolia and the demobilisation of the contract by Amey at the same time as overseeing business as usual service delivery to residents up to and beyond vesting day in both East and West Surrey. The new contract will commence on 6 June 2027 and at the same time in all four areas.
Local Government Reorganisation: Central government has confirmed the implementation of Local Government Reorganisation in Surrey. Elections to the new shadow unitary councils were held in May 2026. The new unitaries will go live on 1 April 2027 (vesting day). The Structural Changes Order is now in effect. Section 16 requires co-operation between authorities in order to secure the economic, effective and efficient and timely transfer of functions, assets, rights and liabilities. MVDC will continue to exist until 31 March 2027. During this time the council needs to continue provide essential services, achieve its corporate objectives and deliver against strategies and plans. There is added complexity in terms of governance in making key decisions as some of these are subject to consultation with the new shadow authority. There is risk that, if MVDC did not have mitigations in place some functions may not be safe and legal at the point of vesting day
Exceeding VAT partial exemption limit: Risk of exceeding the VAT partial exemption limit could lead to additional cost for the Council in 2026/27 as we would no longer be able to reclaim VAT on expenditure on exempt services and activities.

Reigate & Banstead

Risk Title/ Description
Financial sustainability: A combination of current adverse macroeconomic conditions and the wider local government funding context have created conditions of unprecedented financial uncertainty and challenge for the Council. The Council is therefore increasingly reliant on generating additional income and identifying savings and efficiencies from existing budgets. If not mitigated, these financial challenges risk an adverse impact on the Council's ability to deliver its Corporate Plan objectives.
Commercial investment: The generation of income from commercial investment is a contributor to the Council's financial sustainability. Following several high-profile commercial investment failures by local authorities, the ability to invest for a commercial purpose is being further restricted by changes in legislation, regulations, and codes of practice. Moreover, investing for commercial purposes – either in assets or in trading services – is not without risk due to market fluctuations and factors outside of the Council's control. The risks associated with commercial investment range from the non-achievement of budgeted income to significant capital and revenue losses, as well as governance, legal and reputational issues.
Challenging economic conditions: A prosperous economy is essential for the wellbeing of the borough, creating employment and wealth that benefits local people and businesses. Prevailing economic conditions influence the demand for Council services, where the current challenging economic picture for residents may increase their reliance on Council services, which could result in cost pressures for the Council.
Cost pressures affecting the viability of Council developments: The UK construction sector has seen an increase in building material and labour costs arising from uncertainties in the global supply chain and inflationary pressures. This disruption and increase in costs may impact the Council's ability to deliver economically viable development projects, where tenants may increasingly seek higher capital investment. It is now increasingly important that the council has appropriate funding/incentives to encourage commercial tenants for the lettings. The effects of this are multifaceted but could result in negative financial implications as well as jeopardising the delivery of strategic corporate objectives.

Risk Title/ Description
Organisational capacity and culture: The Council has an ambitious agenda and objectives. In order to deliver against these, it is crucial that the organisation is resourced appropriately, has effective enabling systems and a positive culture that supports effective working between officers and members. Any failure in this area risks the delivery of corporate and service objectives.
ICT network capacity and resilience: Cyber threats continue to evolve, including through the use of AI in attacks, while increased targeting of public sector bodies and the potential for councils involved in LGR activity to be viewed as higher-risk targets mean the likelihood of attempted attack is considered to have increased. The Council has seen more attempts in recent months and has strengthened security and training mitigations in response. It is therefore imperative that the Council continues to invest in robust systems, infrastructure, network security, monitoring, cyber awareness and disaster recovery capabilities to manage this risk and maintain the delivery of services.
Local Plan: In late 2024 the government published a new and revised National Planning Policy Framework (NPPF). There is a risk that the changes within the NPPF, as well as the wider national policy direction, could affect the timely delivery of the borough's new Local Plan. Additional elements of the new NPPF include a target of 1,306 homes per year, with Green Belt reviews to be undertaken if necessary to help meet the target. This will present challenges to the council. In December 2024, the 'English Devolution White Paper' was published. The plans within it will have a significant impact on the Council, and therefore the Local Plan.
Climate change impact: It is widely recognised that the Earth's climate is changing, with this forecast to result in more extreme weather. This could have negative impacts, including on the built and natural environment, with vulnerable residents likely to be most severely impacted. In response, the Council may encounter difficulties in delivering services and may similarly have additional demands placed upon it, particularly as climate change adaptation and mitigation becomes increasingly necessary.
Fraud: Due to the wide range of activities undertaken by the Council, there is a risk of fraud being committed. The risk is exacerbated from both legacy areas of activity and changes and additions to areas in which the council operates where fraud may be committed.

Risk Title/ Description

Local Government Reorganisation: The Government's English Devolution White Paper (December 2024) proposes a new 'architecture' for local government which sees the replacement of two-tier local government by new Unitary Authorities; and introduces a new tier of Strategic Authorities.

In February 2025, Surrey Authorities were invited to submit local government reorganisation proposals to Government against an ambitious timeframe to facilitate devolution as quickly as possible once new unitary government is in place. Two proposals were submitted and in October 2025 the Government announced that Surrey will be reorganised into two new unitary authorities which will come into being in April 2027. The legislation required to implement LGR in Surrey is expected to come into force in March 2026, followed by unitary elections in May 2026 and the formation of a shadow unitary authority until Vesting Day on 1 April 2027 (at which point Reigate & Banstead Borough Council will be abolished).
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Surrey LGR is not a risk, it is a live issue that the Council is actively preparing for. However, the preparation and transition process up until the Council ceases to exist brings with it a number of risks, which – combined – are considered to be strategic in nature: diversion of staff resources, financial resources, constraints on Council activity, staff wellbeing, recruitment and retention, impacts on local service delivery.
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Surrey CC

Risk Title/ Description
There is a risk that while implementing devolution and local government reorganisation in Surrey to the government's timeline there may be capacity and/or other constraints which could impact on the day-to-day services provided by SCC in the run up to vesting day
There is a risk that changes to the way that central government provides financial support for SEND, and the accompanying reforms, could destabilise the SEND system by driving increased demand and hence returning to a balanced budget is further delayed into the life of successor councils
There is a risk of a deliberate and / or targeted cyber attack compromising IT systems and critical IT infrastructure
There is a risk that the high (and increasing) unit costs for external placements for looked after children means that the budget is not achieved and there is further financial pressure on the council in this financial year, and for successor councils in future years
There is a risk that agreed efficiencies are not delivered and/or demand increases above the levels planned in the 26/27 Budget, this would lead to the unplanned use of reserves
There is a risk that SCC will not be able to recruit and retain sufficient numbers of skilled staff to manage & deliver quality services provided
There is a risk of failure to comply with H&S statutory duties (or managers/individuals failing to comply with H&S responsibilities and processes) could lead to serious harm, loss of life & corporate liability
There is a risk that the middle east conflict may have a short/medium term impact on SCCs ability to deliver services
There is a risk that the rising costs will reduce living standards for residents with some struggling to pay for the basic essentials
There is a risk that SCC will be unable to meet an increasing level of demand for adult services including spending pressures arising from NHS activity
There is a risk that we do not deliver consistent good quality practice in compliance with the Care Act and associated legislation in AWP to the residents of Surrey
There is a risk that a supplier or a commissioned service is unable to continue to provide a service, or that that they fail to do so to the required level or quality standards
There is a risk that severe weather events exacerbated by Climate Change leads to a loss of service provision and also other community-wide consequences

Risk Title/ Description
There is a risk that significant changes taking place in the operating environment of AWHP could result in service delivery being negatively impacted
There is risk that we will not achieve the intended outcomes of our transformation programme in the planned timeframe
There is a risk of failure to maintain key infrastructure or assets or deliver major infrastructure
There is a risk of a breach of the Data Protection Act from a loss/disclosure of personal data e.g. data published in public domain
There is a risk that there is a serious breakdown in council governance which could result in external reporting/intervention

Tandridge

Risk Title/ Description
Ensure the Council makes the savings identified in the Medium Term Financial Strategy and delivers a balanced outturn for 2026/2027.
Deliver the climate change strategy and action plan within agreed timescales to work towards net zero.
Manage the potential impact of Local Government Reorganisation (LGR), particularly on savings identification / delivery, staff retention, skills and capacity.
Ensure health and safety policies and procedures meet legislative requirements and best practice, are kept up to date and all staff are trained and reminded of their responsibilities.
Ensure there are systems, procedures and policies in place to protect against cyber-attacks.
Ensuring programme for the Local Plan is achievable and realistic
Five year housing land supply
Planning appeals and associated legal costs may exceed the committee's budget to deal with such matters (£900k).
Delivery of the Council House Building Programme
Ensure compliance with the Consumer Standards as set by the Regulator of Social Housing
Produce a credible plan, properly resourced which will bring the housing service into full compliance across all consumer standards and specify clear outcomes that the plan intends to deliver.
Failure to achieve C2 re-grading by 31 March 2027