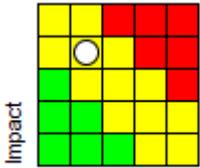
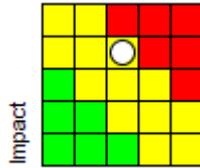
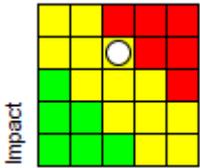
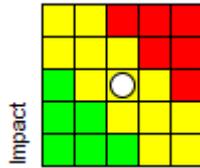
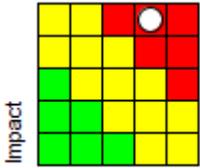
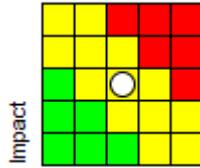
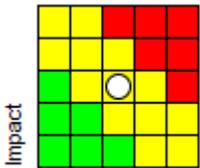
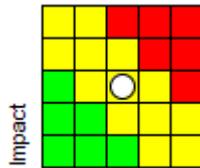


Appendix 1

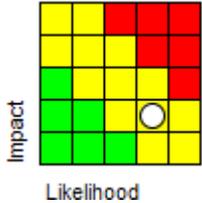
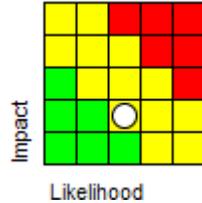
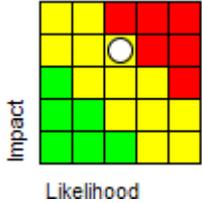
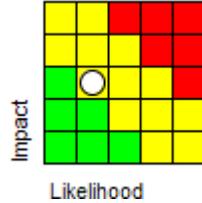
SHDC Strategic Risk Report Q1

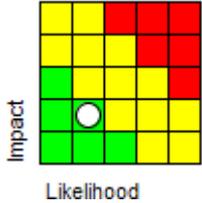
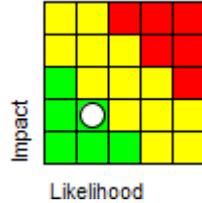
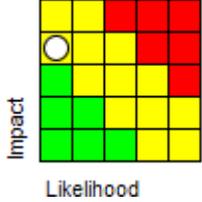
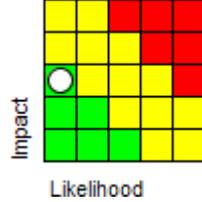
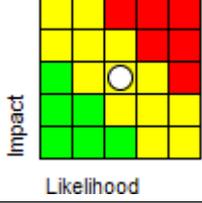
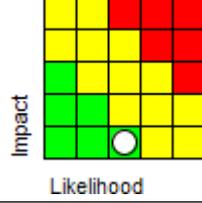


Title	Description	Original Risk Score	Controls/Mitigation	Current Risk Score	Impact	Likelihood	Latest Note
Critical breach of ICT security	Attacks are happening with increasing frequency at present. Ransom and theft specialists are targeting banking details and personal information, as with all other government systems and private companies	25 	Virus and intrusion detecting software is installed. Disaster recovery processes and emergency disconnect plans between SHDC and ELDC are in place. ICT department seeking delegated authority to conduct shutdown procedures without consulting directors if n	15 	5	3	Recent heightening of security settings has led to an increasing amount of emails being quarantined to the software providers holding area. Whilst necessary, this has proved inconvenient for users. We are therefore changing security provider to Mimecast on Friday 13 May for all SHDC email account holders. This will be rolled out to shared managers with Breckland-sholland accounts at a later date. This change enables better visibility of quarantined documents and the ability for users to accept quarantined emails themselves rather than reliance on IT colleagues to perform this operation
Impact of devolution agenda	Impact of devolution agenda in Lincolnshire causing pressure on Chief Executive's time to focus on Council's achievement of its Corporate Priorities - this is compounded by the risk of not being involved which could fundamentally lead to changes being forced upon South Holland	12 	The potential benefit of securing favourable devolution outcomes outweighs the cost of time and resource investment on the devolution agenda at this time.	12 	4	3	There is a risk that time and resource spent on devolution agenda work may be sacrificed should a deal not come to fruition. Conversely, not being involved in influencing and shaping a devolution deal could result in the organisation receiving a sub-optimum deal should devolution progress.

Title	Description	Original Risk Score	Controls/Mitigation	Current Risk Score	Impact	Likelihood	Latest Note
Failure to deliver Local Plan and its Delivery Plan	Failure to deliver Local Plan and its Delivery Plan - reputational and financial risk due to possible Secretary of State intervention. there is also a new risk emerging due to New Homes Bonus.	8  Impact Likelihood	Dedicated senior officer and EMT support to deliver the local plan	12  Impact Likelihood	4	3	Revisions to the delivery programme include final submission in December 2016. This extended timescale will be subject to regular and frequent monitoring.
Medium Term Financial Plan Not Delivered	The Medium Term Financial Plan includes a balanced position which is dependant on delivery of the "Going Forward" Transformation plan	12  Impact Likelihood	There are a number of controls in place to track delivery including transformation board, Performance, Risk & Audit Board & Finance Board. PI's are tracking variance from plan	9  Impact Likelihood	3	3	The 2016/2017 efficiency savings position is on target for the financial year and accelerated savings are likely to be available for reinvestment.
Business rate retention scheme	Business rate retention policy changes leave the council exposed to risks on collection and baseline income.	20  Impact Likelihood	Financial provision has been made to cover the risk of current appeals, collection rates and growth	9  Impact Likelihood	3	3	Appeals from the NHS business rates are being examined across the country. SHDC has provided contingency against the financial implications for the district. Changes to Small Business rates relief has potential consequences beyond 2020 which are as yet unknown. Devolution in Greater Lincolnshire may require a pooling situation for all authorities which is currently being examined.
Failure to maximise trading opportunities	Failure to maximise trading opportunities could result in lack of commercial exploitation of assets or income from trading arms	9  Impact Likelihood	Governance is in place for MTFP through transformation board, finance board and Performance Risk and Audit Board which monitor the work towards maximising trading opportunities	9  Impact Likelihood	3	3	Following recent recruitment, the executive manager for commercialisation did not take up the post. Therefore this post needs to go to a further round of recruitment.

Title	Description	Original Risk Score	Controls/Mitigation	Current Risk Score	Impact	Likelihood	Latest Note
Staff recruitment and retention at all levels within the organisation	Staff recruitment and retention issues could undermine the effectiveness of the organisations though loss of experience and knowledge	15	The mitigation for key senior posts that are vacant or serving their notice period will be to start recruitment and find suitable interim cover.	9	3	3	There are a couple of key senior posts that are vacant or serving their notice period which potentially will impact on the knowledge and skills in the organisation particularly relating to the council's commercial ambitions. The mitigation for this will be to start recruitment and find suitable interim cover.
CPBS Failure to deliver core services	CPBS Failure to deliver core services - HR/IT/Finance/Revenues & Benefits	12	Number of Governance processes in place including monitoring of performance in performance, risk and audit board. CPBS also has its own board with governance.	9	3	3	A number of key posts have now been permanently recruited to and high calibre interims are in place during this transitional period
Uncertainty over future government funding settlement	Government funding reductions due to a weakening of the economy may be experienced during the period of the MTFP	12	4yr MTFP sets out programme to be free of reliance on RSG by 2019. Finance board will continue to monitor achievement towards plan	6	3	2	The 2016/2017 Local Government settlement included an offer for a four year settlement which is being examined and likely to be accepted in October 2016.

Title	Description	Original Risk Score	Controls/Mitigation	Current Risk Score	Impact	Likelihood	Latest Note
<p>Failure to deliver financial & non-financial outcomes of the approved Welland Homes business plan</p>	<p>Failure to deliver financial & non-financial outcomes of the approved business plan has implication in areas which include Legal, reputational and Financial. Risk also refers to capacity and expertise in the organisation to deliver the housing development requirement for both the HRA and Welland Homes.</p>	<p>8</p> 	<p>Mitigations as follows; Revised governance including strengthened terms of reference. Improved communication on Council policies to the WH Board. Increased operational capability and capacity within Council to support future programmes and WH Board of Directors. Revision of original business plan to be completed by June 16, presented to Cabinet by July 16 and Cabinet to recommend for approval to Full Council in July 16 Introduction of a Housing Development programme manager Explore external partnerships for specialist delivery expertise Review requests for quotations for Parkside Crescent / Severn road projects and recommend a way forward for these projects</p>	<p>6</p> 	<p>2</p>	<p>3</p>	<p>Several mitigations are now in place or being progressed which have reduced the likelihood of the risk. They include Governance Communication Increased Capacity Revised Business Plan</p>
<p>Publication of gender pay gap under transparency legislation</p>	<p>Transparency legislation will mean the requirement to publish the gap between its average male and female earnings. This could lead to increased scrutiny from the unions which may trigger a Unison audit</p>	<p>12</p> 	<p>The mitigation for this is to find the additional funds to cover the gap</p>	<p>6</p> 	<p>3</p>	<p>2</p>	<p>Commencing work into achieving the mitigation reduces the risk score</p>

Title	Description	Original Risk Score	Controls/Mitigation	Current Risk Score	Impact	Likelihood	Latest Note
Failure to deliver the council's Corporate Priorities	Would lead to missed targets and failure to deliver objectives and may result in the Council suffering reputational damage and a failure to deliver priorities to residents.	4 	Corporate Delivery Plan sets out how to achieve corporate plan and this is underpinned by individual service plans and these are monitored at Performance, Risk & Audit Board monthly	4 	2	2	The approach of the Growth and Commercialisation programme ensures delivery against corporate plan objectives. Progress is reported monthly to performance board and Quarterly to scrutiny & cabinet.
Failure to effectively implement corporate business continuity plan	Failure could lead to an impact on delivery of services, loss of IT systems, ineffective communication, a failure to provide suitable premises or a failure to provide suitable premises	4 	Working jointly with County to have business continuity post. Each team has a plan reviewed annually	3 	3	1	1 serious incident in last financial year which was managed well and in accordance with continuity plan. This demonstrates sound process.
Impact of County Council Budget Reductions	Impact of County Council Budget Reductions. This will potentially impact on resident wellbeing.	9 	Ensure that Place directorate are involved early in conversations to represent SHDC and its residents	3 	1	3	County Council announcements and consultations are being regularly monitored for new developments. Currently nil income is being assumed within the MTFP