

SOUTH HOLLAND DISTRICT COUNCIL

Report of: Maxine O'Mahony - Executive Director of Strategy and Governance
To: Governance and Audit Committee – 12th September 2017
Author: Greg Pearson - Corporate Improvement & Performance Manager
Subject: Quarterly Risk Report, Q1 2017/18
Purpose: To inform the Committee on the current status of the Councils' strategic risks

Recommendation:

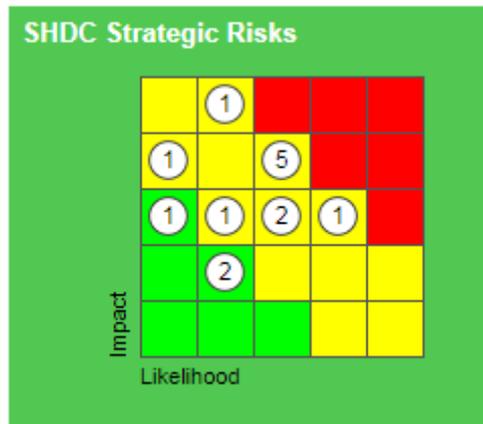
- 1) That the contents of the report are noted.

1.0 BACKGROUND

- 1.1. The last risk report to the Governance and Audit Committee was in June 2017 for Q4. Since then, there have been a number of changes to the strategic risk register which are highlighted in this report.
- 1.2 This report is generated using the Covalent system and includes updates on strategic risks for quarter 1, 2017/18.
- 1.3 Strategic risks are visible on the Corporate Dashboard which is available to the Executive Management Team (EMT) and risks are reviewed by EMT quarterly. In addition, risks are reviewed monthly at the officer-led Performance, Risk & Audit Board chaired by the Executive Director of Strategy and Governance.
- 1.4. Strategic risks have been reviewed and updated with the responsible members of EMT. These cover the over-arching risks that may affect the strategic direction of the council, rather than risks linked to business continuity or those that affect discrete service areas. The strategic risk register includes 14 strategic risks (see Appendix A).
- 1.5 Strategic risks typically affect the whole of the organisation and not just one or more parts of it. Strategic risks can potentially involve very high stakes and often affect the ability of the organisation to survive, e.g. impact on the ability of the Council to achieve its corporate plan objectives and purpose.
- 1.6 The Council's risk scoring mechanism is based on a 5x5 matrix, and is comparable with best practice in other, similar organisations. The risk matrix provides a comprehensive assessment and understanding of risk likelihood and impact. The matrix results in a numerical score which combines the impact of the risk occurring with the likelihood of it happening.
- 1.7 Risks fall into High, Medium or Low categories depending on their rating

High	
Medium	
Low	

- 1.8 Risks are tracked below in a heat map to represent the number of strategic risks currently reported at each score



- 1.9 There are currently no risks that are rated in the high risk category.

- 1.10 There are currently eleven risks which fall into the medium category. Of these risks, most remain at the same score as last quarter. One risk, relating to the uncertainty over future government funding settlement, increased from a risk score of 9 to 12. This is due to the continued uncertainty following the finance bill and the business rates not having been fully defined. One further risk has decreased its score compared to the previous quarter. This is the risk relating to the delivery of the Local Plan which, following its submission to the planning inspectorate in June, has reduced from 12 to 4 with the impact still high but likelihood now much reduced.

The risk regarding the failure to deliver core services with CPBS has changed, whilst remaining at a score of 12, the impact has increased and the likelihood decreased. This is because there has now been recruitment within finance, which decreases the likelihood of failure, but with ICT vacancies and a settling in period for new staff, the impact of failure in these two services remains high. The update from CPBS is that ICT are undergoing a small review to ensure that the right roles are interviewed for to ensure ongoing service proficiency.

- 1.11 There are 3 risks currently reported in the low category are these are scored as they were in the previous quarter.

2.0 OPTIONS

- 2.1 That the contents of the report are noted.

3.0 REASONS FOR RECOMMENDATION(S)

- 3.1 Not applicable

4.0 EXPECTED BENEFITS

- 4.1 That the Committee is made aware of the Council's strategic risks and understands that they are being managed and mitigated effectively.

5.0 **IMPLICATIONS**

5.1 **Corporate Priorities**

5.1.1 The report contains information on strategic risks relevant to the delivery of the Council's corporate priorities.

5.2 **Financial**

5.2.1 The report contains information on strategic risks relevant to the Council's budgets and financial management.

5.3 **Risk Management**

5.3.1 The report provides detail on the Council's strategic risks.

5.4 **Staffing**

5.4.1 The report contains information on strategic risks relevant to the delivery of the Council's corporate priorities

6.0 **WARDS/COMMUNITIES AFFECTED**

6.1 No wards or communities are affected

7.0 **ACRONYMS**

7.1 EMT – Executive Management Team

Background papers:- [See The Committee Report Guide](#)

Lead Contact Officer

Name and Post: Greg Pearson, Corporate Improvement and Performance
Manager
Telephone Number: 07500-030900
Email: greg.pearson@breckland-sholland.gov.uk

Key Decision: No

Exempt Decision: No

This report refers to a Discretionary Service

Appendices attached to this report:

Appendix A South Holland District Council Strategic Risk Register (Q1 2017/18)