

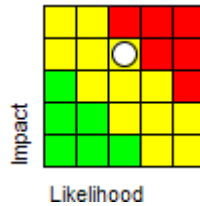
SHDC Strategic Risk Report inc Targets

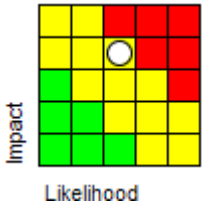



Title	Description	Original Score	Controls/Mitigation	Current Risk Score	Impact	Likelihood	Trend (last qtr)	Latest Note	Latest Update Date	Target Impact	Target Likelihood	
Medium Term Financial Plan Not Delivered	The Medium Term Financial Plan includes a balanced position which is dependant on delivery of the "MovingForward" Transformation plan	12	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	12		4	3		Initial moving forward target savings have been identified and delivered, however, future savings now depend on ongoing delivery of savings from organisational re-design and particularly, generating significant ongoing savings from our major asset reviews which are all making good progress.	03 Aug 2017	3	2
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. Setting investment funds, commercial property and growth to ensure continued income	12		4	3		Due to the finance bill not proceeding the risk has been increased due to the level of uncertainty	03 Aug 2017	2	2

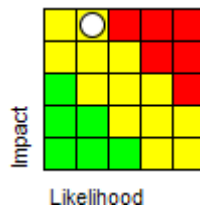
Title	Description	Original Score	Controls/ Mitigation	Current Risk Score	Impact	Likelihood	Trend (last qtr)	Latest Note	Latest Update Date	Target Impact	Target Likelihood
Failure to maximise trading opportunities	Failure to maximise trading opportunities could result in lack of commercial exploitation of assets or income from trading arms	9	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	12	4	3	➔	The Council's MTFP, approved by Council on 22nd February, includes assumed savings during the 4 years to 20/21. In order to deliver these savings the Council will need to review the use of its major commercial assets to maximise income and reduce operating costs.	15 Aug 2017	2	2
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.	12	3	4	➔	Staff turnover is currently higher due to Service reviews. During this quarter we have struggled with recruiting into planning roles as well as a deputy section 151 officer, however our staff retention rates remain high throughout these reviews.	24 Jul 2017	2	2

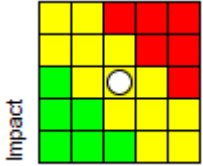
Title	Description	Original Score	Controls/Mitigation	Current Risk Score	Impact	Likelihood	Trend (last qtr)	Latest Note	Latest Update Date	Target Impact	Target Likelihood
CPBS Failure to deliver core services	CPBS Failure to deliver core services - HR/IT/Finance/Revenues & Benefits	12	Number of Governance processes in place including monitoring of performance in performance, risk and audit board. CPBS also has its own board with governance.	12	4	3	■	<p>Recent staff turnover has been high for Finance within CPBS</p> <p>There are recruitment issues across the whole of Lincolnshire especially in relation to Finance posts however, CPBS have managed to successfully recruit an interim Head of Finance and a new interim Strategic Business Partner.</p> <p>Another area of concern is staffing levels within IT, this is being addressed by the Head of IT, all vacant positions are in the interview process W/C 31/07/17 and there is also a smaller service review type exercise being undertaken by the department to look at using existing staff to expand skill sets and cover a wider area of skills/knowledge using the existing resources available.</p>	15 Aug 2017	2	2





Title	Description	Original Score	Controls/ Mitigation	Current Risk Score	Impact	Likelihood	Trend (last qtr)	Latest Note	Latest Update Date	Target Impact	Target Likelihood
General Data Protection Regulation Implementation	With the implementation of the General Data Protection Regulation, which replaces the Data Protection Act of 1998, there is a risk that the council will not manage its data appropriately and in line with the new regulations.	16	Monthly meetings of the statutory information group have highlighted areas which need to be addressed and training is being delivered in September for managers and proposed service Data Protection leads.	12 	4	3		This is being considered regularly by the Statutory Information Group. Training has been arranged for early October. A gap analysis has been commissioned. Once the results of the gap analysis are in and there is an action plan in place the score will be updated.	15 Aug 2017	2	2

Title	Description	Original Score	Controls/ Mitigation	Current Risk Score	Impact	Likelihood	Trend (last qtr)	Latest Note	Latest Update Date	Target Impact	Target Likelihood
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	There is a comprehensive suite of protection measures in place including email filtering, web filtering, antivirus and windows updates which help to protect from viruses	10	5	2	■	<p>The IT service has undertaken a number of projects and business as usual activities over the last 3 months which will prevent the risk from increasing. These projects are</p> <ul style="list-style-type: none"> • Currently requirements and mitigation plan from externally provided gap analysis • Patching of servers and applications • Patching of the councils Wi-Fi infrastructure • Patching of the councils Firewalls and proxies • Proactively emailed staff on how to avoid becoming a victim of cyber-crime and what to do if they think there device is infected by malicious code. • Upgraded the council's standard suite of device applications in line with PSN requirements. • Continued to implement recommendations identified by TIAA Cyber Security Audit 	15 Aug 2017	4	2



Title	Description	Original Score	Controls/Mitigation	Current Risk Score	Impact	Likelihood	Trend (last qtr)	Latest Note	Latest Update Date	Target Impact	Target Likelihood
Impact of business rate appeals	Business rate retention policy changes leave the council exposed to risks on collection and baseline income.	20	Financial provision has been made to cover the risk of current appeals, collection rates and growth	9  Impact Likelihood	3	3	—	There has been a decrease in the provision for appeals in Q1 (2017/18) of £0.5m. This is partly due to a reduction of £1.3m for the one remaining power station appeal in Q1. The rateable value of this property dropped in March 2017 by 8%, but a further appeal against the RV remains outstanding, though it is not expected that a provision at the previous level of 14% is required. We await a decision from the Valuation Office on this appeal.	15 Aug 2017	2	2

Title	Description	Original Score	Controls/ Mitigation	Current Risk Score	Impact	Likelihood	Trend (last qtr)	Latest Note	Latest Update Date	Target Impact	Target Likelihood
<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>	8	<p>Mitigations as follows;</p> <ul style="list-style-type: none"> • 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 was presented to Cabinet and approved by 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 	9	3	3		<p>Layer 1 - Green lane completed and fully let. Long Sutton approved by cabinet and council</p> <p>Layer 2 - Out to tender for further revenue to facilitate decision making with regards to future development sites.</p> <p>There are other layer 1 opportunities being sought.</p> <p>Good progress is being made with the business plan however there is some delay due to planning and procurement.</p>	03 Aug 2017	2	2

Title	Description	Original Score	Controls/ Mitigation	Current Risk Score	Impact	Likelihood	Trend (last qtr)	Latest Note	Latest Update Date	Target Impact	Target Likelihood
Publication of gender pay gap under transparency legislation	<p>The evolution of Transparency legislation will mean a requirement to publish the gap between male and female earnings within pay bandings. This could lead to increased scrutiny from the unions which may trigger a Unison audit. The collateral effect of the risk coming to fruition would be around reputational damage and legal ramifications of potentially backdated claims from workers.</p>	12	<p>The mitigation for this is to proactively establish i) if there is a gender based pay gap within job roles and ii) to identify funding to cover any liability in this area should liability be identified. The Council advocates equitable and fair treatment of its employees and would not wish to perpetuate any such discrepancy.</p>	6	3	2		<p>We are providing a statement at next full council regarding the position with gender pay gap, it is showing that the council is in a good position regarding the legislation and is ahead of schedule for release.</p> <p>There is a slight area of concern around areas like the waste depot however this can be explained due to more interest from males in the jobs that sit within such areas, the jobs are advertised and catered equally to both genders but there is just more interest from males despite equal offerings.</p>	24 Jul 2017	2	2
Failure to deliver the council's Corporate Priorities	<p>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.</p>	4	<p>Corporate Delivery Plan sets out how to achieve corporate plan and this is under pinned by individual service plans and these are monitored at Performance, Risk & Audit Board monthly</p>	4	2	2		<p>This risk is being mitigated by continuous monitoring and monthly performance clinics with managers and action owners via the CIP team. Whilst the risk does remain within set parameters, it is still prudent to monitor this risk.</p>	20 Jul 2017	2	2

Title	Description	Original Score	Controls/Mitigation	Current Risk Score	Impact	Likelihood	Trend (last qtr)	Latest Note	Latest Update Date	Target Impact	Target Likelihood
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	Dedicated senior officer and EMT support to deliver the local plan	4	4	1	↓	<p>The South East Lincolnshire Local Plan has been submitted to the Planning Inspectorate on 23rd June for independent Examination. the Examination is now under way with hearing sessions due to be held in October and November.</p> <p>As such, the plan is progressing through this final part of the process and as such the likelihood of failure to deliver has been downgraded at this point.</p>	09 Aug 2017	4	3
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 the council and its residents	4	2	2	▬	<p>In terms of budget impacts, this is closely monitored to ensure there is no impact to reductions, in areas where funding has been lost this has now been accounted for. It is also monitored in terms of the loss of services and their impact to the community.</p>	16 Aug 2017	2	2
Failure to effectively implement corporate business continuity plan	Failure could lead to an impact on delivery of services, loss of IT systems, ineffective communication 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	▬	<p>Score remains the same. SLA with LCC terminated. New Emergency Planning Officer recruited directly by SHDC and has started in post.</p>	18 Jul 2017	3	1