

# SHDC Strategic Risk Report inc Targets

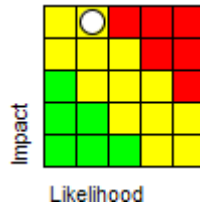


Title	Description	Original Score	Controls/Mitigation	Current Risk Score	Impact	Likelihood	Trend (last qtr)	Latest Note	Latest Update Date	Target Impact	Target Likelihood
<b>Medium Term Financial Plan Not Delivered</b>	The Medium Term Financial Plan includes a balanced position which is dependant on delivery 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 progress.	22 Nov 2017	3	2
<b>Uncertainty over future government funding settlement</b>	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 still remains higher than previous scores and will continue to be monitored	15 Nov 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
<b>Failure to maximise trading opportunities</b>	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.	22 Nov 2017	2	2
<b>Staff recruitment and retention at all levels within the organisation</b>	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 still high as a result of the Place Review but expected to reduce from November onwards. During this quarter we have been unable to recruit to the Strategic Finance and Compliance Manager (Deputy S151) and Senior Planning Officer.	09 Oct 2017	2	2

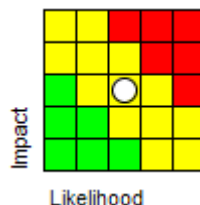
Title	Description	Original Score	Controls/Mitigation	Current Risk Score	Impact	Likelihood	Trend (last qtr)	Latest Note	Latest Update Date	Target Impact	Target Likelihood
<b>CPBS Failure to deliver core services</b>	CPBS Failure to deliver core services - HR/IT/Finance/Revenues & Benefits	12	Number of Governance processes in place including monitoring of performance, risk and audit board. CPBS also has its own board with governance.	12	4	3	↓	This risk has reduced following on from a brief period in the high risk category due to a high number of vacancies within the service, It is pleasing to note that this risk has since reduced and has fallen into the medium risk category following on from some successful recruitment within CPBS. CPBS have successfully recruited a Head of service for finance in a permanent position and have also filled all the vacant roles within the IT service with the exception of one which is still in the interview stages, these factors have seen the reduction in this risk score.	01 Dec 2017	2	2
<b>General Data Protection Regulation Implementation</b>	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	▬	The training has been delivered; member training on GDPR will be arranged by early Spring; gap analysis report has been received; Portfolio holders and scrutiny have been briefed; report has been to EMT; Data Protection Policy and GDPR action plan on the forward plan for Cabinet/Council in May 2018.	17 Nov 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
<b>Critical breach of ICT security</b>	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 ICT team have completed a large number of business as usual activities to aid in the prevention of critical breaches such as patching of servers and applications, patching of Wi-Fi infrastructure in line with latest threats and recommendations, patching of the Firewalls and Proxy servers, user guidance and training on security best practice, compliance to PSN standards and certificate obtained and continued work with DPO to reduce exposure from GDPR requirements.</p> <p>In addition, the team have completed a project to replace outdated shared manager equipment and almost at completion of the large infrastructure refresh. Both of these projects will minimise the exposure of the Council's environment to security breach.</p>	15 Nov 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
<b>Impact of business rate appeals</b>	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	3	3	▬	There has been a decrease in the provision for appeals in Q2 (2017/18) of £0.2m. This is partly due to a reduction of £1.3m for the one remaining power station appeal in Q2. 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.	17 Nov 2017	2	2
<b>Impact of County Council Budget Reductions</b>	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	9	3	3	↑	Risk has been raised since last quarter as we are aware that the county council budget will not be set until February 2018 and this will mean we have a lack of clarity until that time.	28 Nov 2017	2	2

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<p><b>Failure to deliver financial &amp; non-financial outcomes of the approved Welland Homes business plan</b></p>	<p>Failure to deliver financial &amp; 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"> <li>• Revised governance including strengthened terms of reference.</li> <li>• Improved communication on Council policies to the WH Board.</li> <li>• Increased operational capability and capacity within Council to support future programmes and WH Board of Directors.</li> <li>• Revision of original business plan was presented to Cabinet and approved by Full Council in July 16</li> <li>• Introduction of a Housing Development programme manager</li> <li>• Explore external partnerships for specialist delivery expertise</li> <li>• Review requests for quotations for Parkside Crescent / Severn road projects and recommend a way forward for these projects</li> </ul>	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>	01 Dec 2017	2	2



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<b>Publication of gender pay gap under transparency legislation</b>	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.	12	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.	6		2	3		The Gender Pay Gap report is still on Target to be presented to EMT in December followed by Full Council in January. The report was run earlier in the year with no significant concerns highlighted.	09 Oct 2017	2	2
<b>Failure to deliver the council's Corporate Priorities</b>	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 under pinned by individual service plans and these are monitored at Performance, Risk & Audit Board monthly	4		2	2		This risk remains unchanged as the Corporate improvement and performance team continue to monitor and work with staff towards achieving the corporate priorities.	27 Nov 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
<b>Failure to deliver Local Plan and its Delivery Plan</b>	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	—	The Local Plan is currently under examination with the first hearing sessions having been held in October and early November. Further hearing days are proposed at the end of November and early December. The examination is currently progressing to timetable, and whilst consultation is expected on changes discussed during the hearings, the plan continues to progress and it is hoped the Inspectors report will be published in spring 2018 to enable adoption of the plan shortly thereafter.	27 Nov 2017	4	3
<b>Failure to effectively implement corporate business continuity plan</b>	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	—	The risk remains the same while the emergency planning role is being embedded into the organisation	24 Oct 2017	3	1