

SOUTH HOLLAND DISTRICT COUNCIL

Report of: Maxine O'Mahony - Executive Director of Strategy and Governance
To: Governance and Audit Committee – 15th March 2018
Author: Greg Pearson - Corporate Improvement & Performance Manager
Subject: Quarterly Risk Report, Q3 2017/18
Purpose: To inform the Committee on the current status of the Councils' strategic risks

Recommendation:

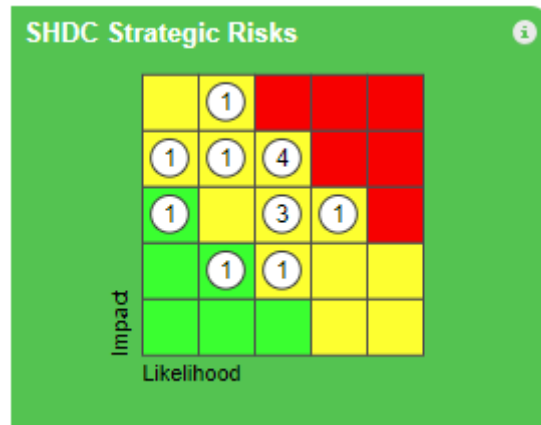
- 1) That the contents of the report are noted.

1.0 BACKGROUND

- 1.1. The last risk report to the Governance and Audit Committee was in December 2017 for Q2. Since then, there have been a small 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 3, 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 discreet 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 twelve risks which fall into the medium category. Of these risks, eleven remain at the same score as last quarter. As of Quarter 3 the risk relating to CPBS failure to deliver core services has reduced in likelihood further due to positive recruitment within IT and HR, however this risk will continue to be monitored as there are still vacancies within finance but assurance has been given that this is not significant enough to increase the risk as mitigations are in place and efforts to recruit are underway.
- 1.11 There are two 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:- None

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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 (Q3 2017/18)