

SOUTH HOLLAND DISTRICT COUNCIL

Report of: Maxine O'Mahony - Executive Director of Strategy and Governance

To: Governance and Audit Committee – 18th October 2018

Author: Corey Gooch – Senior Business Intelligence Officer

Subject: Quarterly Risk Report, Q2 2018/19

Purpose: To inform the Committee on the current status of the Councils' strategic risks

Recommendation:

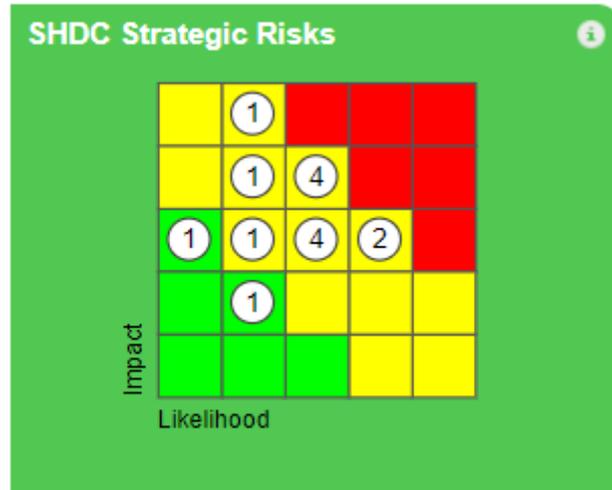
- 1) That the contents of the report are noted.

1.0 BACKGROUND

- 1.1. The last risk report to the Governance and Audit Committee was in July 2018 for Q1. 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 (Pentana) system and includes updates on strategic risks for quarter 2, 2018/19.
- 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 16 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 It is pleasing to report that in this quarter there were no risks that were rated into the high risk category, in the last quarter the risk relating to the critical breach of ICT security was rated as high, this was due to intelligence coming in from Russian cyber security threats and the potential for this to result in cyber security attacks, following on from this mitigations have taken place such as the introduction of a dedicated security analyst as well as security maintenance windows allowing the service to implement new upgrades and improvements to security. Following on in this quarter there have been no further concerns of alerts relating to cyber-attacks or security breaches and all appropriate mitigation has taken place, these points along with the level of investment and enhancements made to IT security over the last few years puts us in a better position than ever and has therefore allowed us to reduce the likelihood of this risk occurring.

- 1.10 There are currently thirteen risks which fall into the medium category. Of these risks, there has been one risk raised into the medium category which was previously scored as low and that is the risk around the failure to implement corporate business continuity.

It is important to note that whilst this risk has raised slightly in likelihood, there have been no particular incidents or concerns raised to incur such a change in risk. This risk has been re-assessed to what the service feels is a more accurate score following the implementation of an emergency planning who has been working in conjunction with Brecklands emergency planning officer where assessments to determine training needs and critical service areas have taken place. All business impact assessments and emergency plans are in draft or complete across the authority however work is still underway to ensure all critical services are identified and covered in business continuity plans. This work as well as training is expected to be rolled out or completed by the end of 2018 and at this point this risk is expected to reduce further.

- 1.11 There are 2 risks currently reported in the low category and the change in this area relates to the delivery of the local plan, this risk was previously scored as a medium level risk but has since reduced in Q2 due to the local plan modifications consultation closing on the 28th August, the council is expected to receive the examiner's report in October which will hopefully allow the plan to be adopted before the end of the calendar year. In light of this significant process the strategic planning service consider it appropriate to

lower this risk in Q2.

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](#)

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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 (Q2
2018/19)