

SOUTH HOLLAND DISTRICT COUNCIL

Report of: Assistant Director – Governance and Monitoring Officer

To: Governance and Audit Committee, March 17th 2022

Author: Corey Gooch, Senior Change, Improvement and Performance Business Partner

Subject: Q3 Risk Report

Purpose: To provide an update to the committee on the progress of the Council's identified strategic risks

Recommendation(s):







- 1) That the panel gives consideration to both the covering report and Appendix A, which details the latest assessment of the council's strategic risks




















1.0 BACKGROUND



- 1.1 This covering report and detailed Appendix A seeks to present to Governance and Audit Committee an overview of the key risks that the council is exposed to, the action taking place to mitigate those risks, and an up to date assessment of their likelihood and impact.
- 1.2 By their very nature, strategic risks are those that have been identified as having the potential to cause organizational wide impact and will often cover a number of key services and departments. Strategic risks are captured within the council's risk management system, which is available to the council's management team and is reviewed on a regular basis.
- 1.3 The report and associated identifies that there are currently 22 recorded strategic risks that the authority is monitoring. These 22 risks are captured, described and scored in a Strategic Risk Register. This register is included in Appendix A for consideration by the Governance and Audit committee.
- 1.4 In terms of methodology, the Council's risk scoring mechanism is based on a 5x5 matrix and is comparable with best practice in other similar organizations. 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. The rating for individual risks ranges from highest (red) to lowest (green) with categories in between, depending on their rating, details of likelihood and impact scoring criteria are based on the council's risk management policy and can be found below
- 1.5 The spread of risk across the 24 recorded in the council's latest Strategic Risk Register, following mitigation by services and the council's management team, is as follows;

Risk level	Number of strategic risks by score (post-mitigation)
High level (Red)	3
Medium (Amber)	15
Low (Green and Yellow)	4

- 1.6 Overall, the register contained within Appendix 1 demonstrates that strategic risks are being proactively managed by the authority, with a series of mitigations in place to reduce and mitigate impact and likelihood across a number of key areas.
- 1.7 Within the strategic risk register included in Appendix A, each risk is ascribed a short narrative which seeks to cover the following
- The risk title
 - A description of what the risk council entail
 - The approach to mitigation
 - The current score of the risk
- 1.8 The risk register is presented for consideration by the Committee. Officers will be available at the meeting of the Committee to answer questions on the content of the register.
- 1.9 The strategic risk register in Appendix A will include details and rationale for any changes to risks since the previous quarter, an overview of these changes can be found below.

Title	Change since last quarter	Rationale/Commentary for change
Housing Team Resources/Provision		
Cyber Incident		The national trend for Cyber Security threats across Public Sector has almost doubled in the past 12 months and therefore the likelihood of this risk has been increased slightly. This also takes into account the intelligence coming from the NCSC regarding the potential impact resulting from the Russia/Ukraine conflict. ICT continue to operate a Defence In Depth method of protection and the implementation of a Security Information & Events Management system across the ICT estate has improved our visibility and response to potential threats. Mimecast continues to block malicious, spam or inappropriate email from reaching our staff and members on a monthly basis, these categories equate to approximately 30% of all inbound email.
Parkwood Leisure Provision		
Regulatory Compliance		Covid restrictions have recently been lifted and we are no longer seeing the regular and fast-paced changes in law and guidance that were previously the norm.
Local Economy		
Council Financial Positions		The Partnership delivery plan has been approved by Cabinet and due to be considered by Full Council in early March.

Title	Change since last quarter	Rationale/Commentary for change
		New budget management arrangements are being developed to assist in the identification of future opportunities and pressures. A detailed budget review process is being planned for the 2023/24 year however, pressures are starting to be seen and therefore this risk has been increased slightly in likelihood.
Short term impact on the council of a challenging transition in the UK/EU relationship		
Vulnerability risk		
Technology infrastructure failure		
Changes in legislation and policy in response to Covid19		Covid legislation enforced by the Council has now been repealed. The Public Protection service continue to work with LCC on outbreak management although this demand has decreased significantly.
Changes to the strategic shared partnership		This risk has reduced as the strategic partnership is further emdedded and the programme management board continues to focus on ensuring the partnership delivers on its objectives.
Performance of PSPS contract		
Waste Collections		
Reductions in council performance		
Retention of staff		
External Reputation		
Capacity to deal with more than one significant incident		
Outsourcing/Service provider failure		
Impact of COVID-19 upon the council		
COVID-19 Outbreak response		
Safeguarding		
Decision Making		
Staff Presentation (availability/turning up for work)		
Impact of extensive home working		
Internal communications breakdown		

Title	Change since last quarter	Rationale/Commentary for change
External communications breakdown		
Impact of local government re-organisation		

2.0 Recommendation

2.1 **Option 1** - That the contents of the covering report and the strategic risk register, as captured within Appendix A, are noted (recommended)

2.2 **Option 2** – Do Nothing

3.0 REASONS FOR RECOMMENDATION

3.1 To allow the Governance and Audit committee to review the strategic risks that the authority is exposed to, and to evaluate the council's current plan of action in respect of mitigation of each.

4.0 EXPECTED BENEFITS

4.1 To ensure that the identified Strategic Risks are properly monitored and reviewed in accordance with the Corporate Risk Policy.

5.0 IMPLICATIONS

5.1 Constitution & Legal

5.1.1 This report and associated appendix has been prepared within the terms of reference of the Governance and Audit Committee.

5.2 Corporate Priorities

5.2.1 The strategic risk register in Appendix 1 presents an assessment of risks that have the potential to impact upon and shape the delivery of the council's corporate priorities.

5.3 Financial

5.3.1 There are no specific financial implications associated with the report recommendation. However, the strategic risk register in Appendix 1 presents an assessment of risks that have the potential to impact upon the council's financial circumstances.

5.4 Reputation

5.4.1 There are no specific reputation implications associated with the report recommendation. However, the strategic risk register in Appendix 1 presents an

assessment of risks that may create reputational risks for the council if not managed and mitigated appropriately.

5.5 Risk Management

5.5.1 The strategic risk register contained within Appendix 1 is one of the council's key tools for supporting the authority in managing key strategic risks.

5.6 Staffing

5.6.1 The report contains information relating to staffing issues.

6.0 WARDS/COMMUNITIES AFFECTED

6.1 All wards

7.0 ACRONYMS

- PMP – Performance Monitoring Panel
- LA – Local Authority
- PSPS – Public Sector Partnerships Services
- SLA's- Service level agreements
- GDPR- General Data Protection Regulations
- CIP- Change, Innovation & Performance

Background papers:-

Lead Contact Officer

Name and Post: Corey Gooch – Senior Change, Improvement & Performance Business Partner

Telephone Number: 07766510458

Email: corey.gooch@sholland.gov.uk

Director / Officer who will be attending the Meeting

Name and Post: Corey Gooch – Senior Change, Improvement & Performance Business Partner

Key Decision: No

Exempt Decision: No

Appendices attached to this report:

Appendix A Strategic Risk Register