



REPORT TO:	Governance and Audit
DATE:	Wednesday 28th July 2022
SUBJECT:	Q4 Risk Report 21/22
PURPOSE:	To provide an update on the Council's strategic risks for the period 1st January 2022 to 31st March 2022
KEY DECISION:	N/A
PORTFOLIO HOLDER:	Portfolio Holder Corporate & Communications, Cllr Jim Astill
REPORT OF:	James Gilbert, Assistant Director - Corporate
REPORT AUTHOR:	Corey Gooch, Senior Change, Improvement and Performance Business Partner
WARD(S) AFFECTED:	N/A
EXEMPT REPORT?	NO

SUMMARY

This 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.

RECOMMENDATIONS

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

REASONS FOR RECOMMENDATIONS

To ensure council risks and management of risks are communicated and detailed

OTHER OPTIONS CONSIDERED

Do Nothing

1. BACKGROUND

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.

2. REPORT

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.

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

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/Yellow)	15
Low (Green)	3

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

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.

The strategic risk register in Appendix A will include details and rationale for any changes to risks since the previous quarter, an overview of changes can be found below.

Risk Name	Rationale/Commentary for change	Change since last quarter
Housing Team Resources and Support	<p>The Homeless Reduction Team has now a full complement of staff and are currently working through the current case load. Case numbers are higher than average with impacts from evictions post the Covid-19 moratorium, affordability of rents, reduction in numbers of properties within the private sector and more recently, connections to the cost-of-living crisis starting to take effect. The General Advice team continue to triage all incoming referrals and progress all cases that are not homeless or threatened with homelessness, with a focus on early intervention to prevent future homeless presentations. Other mitigations such as seeking new ways to engage and build strong relationships with landlords/letting agencies are currently being prepared.</p> <p>In addition, the Change4Lincs project, a jointly funded team, continue to provide South Holland along with other districts, support for people who are rough sleeping or at risk of rough sleeping. This includes for people the Council does not owe a statutory accommodation duty to.</p>	
Parkwood Leisure Provision	<p>The LGA April 22 briefing note for Councils, listed factors around the ongoing recovery from the Pandemic and energy costs as its main concerns nationally.</p> <p>The note reported that national picture is varied, but recovery to about 70 per cent of the 2019/20 participation levels are being achieved, as consumer confidence gradually returns. This improving position however has subsequently been tempered by significant increases in utility costs and the increasing cost of living pressures on households which is likely to have an adverse impact consumer confidence, throughput and participation rates going forward.</p>	
Retention of staff	<p>Risk likelihood increased given the recruitment market likelihood will increase, any future recession if it hits may slow this down, appropriate to shift right for now. In terms of impact – it's not consistent - Impact is likely to be higher for certain roles as gaps are longer to fill leaving colleagues picking up backlogs – but we do not feel this is consistent enough across the whole organisation to shift this .</p>	

3. CONCLUSION

3.1 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.

4. EXPECTED BENEFITS TO THE PARTNERSHIP

4.1 N/A

5. IMPLICATIONS

5.1 SOUTH AND EAST LINCOLNSHIRE COUNCIL'S PARTNERSHIP

N/A

5.2 CORPORATE PRIORITIES

The report presents risk management of key areas relating to the corporate priorities which highlight the areas of focus in council delivery of services.

5.3 STAFFING

The report contains information on Council risk which does convey some information relating to staffing.

5.4 CONSTITUTIONAL AND LEGAL IMPLICATIONS

None

5.5 DATA PROTECTION

None

5.6 FINANCIAL

None

5.7 RISK MANAGEMENT

Issues may be subject to risk management measures to protect Council interests.

5.8 STAKEHOLDER / CONSULTATION / TIMESCALES

N/A

5.9 REPUTATION

Risk issues can cause some reputational consequence. It is the purpose of this report to highlight issues at an early stage.

5.10 CONTRACTS

The report contains information on Council risk which does convey some information relating to contract matters.

5.11 CRIME AND DISORDER

The report contains information on Council risk which does convey some information relating to crime.

5.12 EQUALITY AND DIVERSITY/ HUMAN RIGHTS/ SAFEGUARDING

None

5.13 HEALTH AND WELL BEING

The report contains information on Council risk which does convey some information relating to health and wellbeing.

5.14 CLIMATE CHANGE AND ENVIRONMENTAL IMPLICATIONS

The report contains information on Council risk which does convey some information relating to environmental matters.

6. ACRONYMS

6.1 PSPS – Public Sector Partnerships Ltd

LCC – Lincolnshire County Council

CTS – Council Tax Support

ICO – Information Commissioner’s Office

LGO - Local Government & Social Care Ombudsman

APPENDICES

Appendices are listed below and attached to the back of the report: -

APPENDIX A

Q4 SHDC Risk Register 21-22

BACKGROUND PAPERS

No background papers as defined in Section 100D of the Local Government Act 1972 were used in the production of this report

CHRONOLOGICAL HISTORY OF THIS REPORT

Name of body

Date

REPORT APPROVAL

Report author:

Corey Gooch - Senior Change, Improvement and Performance Business Partner

Signed off by:

James Gilbert - Assistant Director - Corporate

Approved for publication:

Councillor Jim Astill – Portfolio Holder (Corporate and Communications)