



REPORT TO:	Governance and Audit
DATE:	Tuesday 19th September 2023
SUBJECT:	Q1 Risk Report 23/24
PURPOSE:	To provide an update on the Council's current strategic risks
KEY DECISION:	N/A
PORTFOLIO HOLDER:	Portfolio Holder Corporate & Communications, Cllr Jim Astill
REPORT OF:	John Medler, Assistant Director - Governance
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 Committee 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

Changes to risk scores

There is one key change to scoring to note for this report which is focused around the Homelessness reduction team resources, the team is now at full capacity which includes Homelessness Reduction Officers and an Admin Officer with defined job roles. Alongside this some internal re-structuring has taken place and the Allocations function now sits away from the Homeless Reduction Team which has increased capacity as the Team are no longer responsible for making enquiries and decisions on clients’ eligibility for the Housing Register. These actions have reduced this risk score, additionally some mitigations and controls have been updated and can be found in Appendix A.

New Risks

There is one new risk to note which has been added to the register, this risk highlights the increasing pressure in our waste services team collection rounds, the main causes of this risk are the increase in housing growth adding extra collections onto existing rounds, the key mitigation for this risk will be a district wide review of the current rounds, re-designing collections to maximise efficiency and balance. This review is underway but quite a large piece of work so this risk will be monitored during this time, and we will look to see this reduce once the new rounds are in place.

Overall Risk Spread

The spread of risk across all recorded in the council’s latest Strategic Risk Register, as well as the Partnership risk register following mitigation by services and the council’s management team, is as follows.

Risk level	Number of Strategic risks by current score
Critical (Red)	0
High (Amber)	8
Medium (Yellow)	9
Low (Green)	1

Risks are graded and scored based on the below criteria in order to assess Likelihood, Impact, and in turn the approach to management of such risks.

Impact score	1	2	3	4	5
Title	Minimal	Low	Medium	High	Critical
<i>Political risk</i>	Residents unaware of authority's actions	Residents' access to oppose actions limited	Residents' access to oppose actions process blocked	Authority fails to effectively scrutinise its actions	No scrutiny of actions takes place
<i>Reputation risk</i>	Increased complaints for less than one week	Increased complaints for more than one week	Negative local press coverage for one day, increased complaints for more than one week	Negative national press coverage for one day, ongoing negative local coverage	Negative national press coverage over several days. Public criticism from MP, LGA, County Council or national service body
<i>Financial risk</i>	Up to 1% of project budget	Up to 5% of project budget	Up to 10% of project budget	Up to 15% of project budget	Over 15% of project budget
<i>Legal risk</i>	Delays due to legal clarifications being sought (<1 month)	Delays due to legal clarifications being sought (1-6 months)	Delays due to legal clarifications being sought (>6 months)	Project operations potentially subject to legal challenge, project on hold until resolved	Project operations potentially in breach of legislation, project terminated
<i>Disruption risk</i>	Individual members of staff having work disrupted	Multiple members of staff unable to work	Total service outage for one day or less	Total service outage for several days	Total service outage for more than a week
<i>Environmental risk</i>	Immediately remedied damage in an isolated area	Easily remedied damage in an isolated area	Short term damage in an isolated area requiring partners assistance	Damage requiring special budget provision to rectify	Major or widespread damage requiring central government assistance
<i>Contractual risk</i>	Negative impact on key partner relationship	Minor contract renegotiation required	Major contract renegotiation required	Project aims or goal significantly altered, or sanction clauses invoked	Project failure and/or termination of contract
<i>Asset & Infrastructure risk</i>	Individual pieces of equipment damaged or needing replacement	Isolated network issues, multiple pieces of equipment needing replacement	Widespread network issues, vehicle damaged	Council properties inaccessible, vehicle need replacing	Council properties damaged, multiple vehicles need replacing, key infrastructure outage
<i>Health and Safety risk</i>	People engaging in hazardous activities without awareness	Individual receives minor injuries	Multiple people receive minor injuries	Individual serious injury	Multiple people seriously injured, individual loss of life

Likelihood score	1	2	3	4	5
Definition	Rare	Unlikely	Possible	Likely	Almost certain

<i>Description</i>	The likelihood of the risk has been minimised to a negligible possibility	The risk is technically possible, but an occurrence is not foreseeable in the medium-long term	The risk is a real possibility but the likelihood of an occurrence in the short-medium term is small	The risk is probably going to occur at some point in the medium term, possibly sooner	The risk is probably going to occur imminently
<i>Timeframe</i>	Will occur at some point in next 50 years	Will occur at some point in the next 25 years	Will occur at some point in the next 10 years	Will occur at some point in the next 5 years	Will occur at some point in the next year
<i>Probability</i>	10% or less	Between 10-30%	Between 30-50%	Between 50-85%	85% or more

3. CONCLUSION

3.1 Overall, the register contained within Appendix A 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

SHDC Strategic Risk Register

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 – Business Intelligence and Change Manager
----------------	--------------------------------------------------------

Signed off by:	John Medler - Assistant Director - Governance
----------------	-----------------------------------------------

Approved for publication:	Councillor Jim Astill – Portfolio Holder (Corporate and Communications)
---------------------------	-------------------------------------------------------------------------