

BRECKLAND DISTRICT COUNCIL

Report of: Maxine O’Mahony - Executive Director of Strategy and Governance
To: Governance and Audit Committee – 21st September 2018
Author: Corey Gooch – Senior Business Intelligence Officer
Subject: Risk Report – Quarter 1 2018-19
Purpose: To inform the Committee on the current status of the Councils’ strategic risks

Recommendation(s):

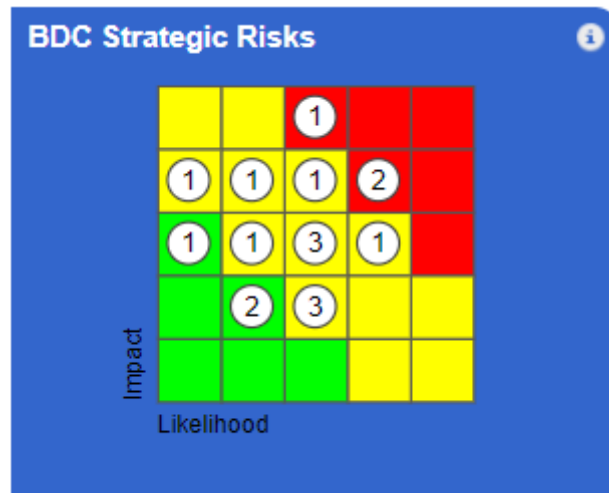
- 1) That the contents of the report are noted.

1.0 BACKGROUND

- 1.1 This report is has been compiled to include updates on strategic risks for quarter 1 of 2018-19.
- 1.2 Strategic risks are captured on the Corporate Dashboard which is available to the Executive Management Team (EMT) and reviewed by EMT quarterly. In addition, risks are reviewed monthly at the internal Performance, Risk & Audit Board chaired by the Executive Director of Strategy and Governance.
- 1.4. Strategic risks have been reviewed and updated with responsible members of the Executive Management Team. The strategic risk register includes 18 strategic risks (see Appendix A). 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.
- 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. Strategic risks are managed at senior level (EMT) within the Council.
- 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 three risks currently reported in the high category, this quarter has seen a change in the risks within this category. The ICT risk regarding a possible critical breach remains a high risk. The ICT service looks to continue to reduce the likelihood as backups and system checkpoints are implemented by the service. The impact of the homelessness reduction act risk also remains at high, the implementation of the act continues put a strain on the housing service and whilst the service is implementing mitigations such as extra resources starting mid-September the service will also be monitoring which areas this resource is required and are optimistic once the new starters are embedded into the service that this risk will begin to reduce as we match resources to the demand.
- 1.10 The third high risk for this quarter is to maximize income from the investment asset portfolio. As it stands a number of commercial (investment) assets are going through a review or change process (i.e. some assets that are currently void and some assets that are being considered for disposal) and the outcome in the short term could have a detrimental impact on the income achieved. However there is a varied number of opportunities that have been or are currently being appraised and a number projects underway to address this including a review on the Council's Investment Strategy.
- 1.11 There are eleven risks currently which fall into the medium category. There has been some improvement in this category in the quarter, with the risk covering the under occupancy of Riverside having reduced from high to medium, this risk profile was reviewed and reduced following planning approval being granted on units 1-3 and contracts exchanged. Trading conditions has also improved recently as a result of a programme of leisure based community activities, the service is continuing to market the last unit and will look to reduce this risk further in the next quarter to hopefully meet the target score.
- 1.12 There are three risks which fall into the low category which remain at the same scores as last 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 **Carbon Footprint / Environmental Issues**

5.1.1 It is the opinion of the author that there are no carbon footprint or environmental implications.

5.2 **Constitution & Legal**

5.2.1 It is the opinion of the author that there are no direct constitutional or legal implications.

5.3 **Contracts**

5.3.1 It is the opinion of the author that there are no direct contract implications.

5.4 **Corporate Priorities**

5.4.1 The report contains information on strategic risks relevant to the delivery of the Council's corporate priorities.

5.5 **Crime and Disorder**

5.5.1 It is the opinion of the author that there are no direct crime and disorder implications.

5.6 **Equality and Diversity / Human Rights**

5.6.1 It is the opinion of the author that there are no direct equality or human rights implications.

5.7 **Financial**

5.7.1 The report contains information on strategic risks relevant to the Council's budgets and financial management.

5.8 **Health & Wellbeing**

5.8.1 It is the opinion of the author that there are no health or wellbeing implications.

5.9 **Reputation**

5.9.1 Risks which come to fruition have some reputational consequence. It is the purpose of the risk management strategy to manage potential outcomes by means of control measures.

5.10 **Risk Management**

5.10.1 The report provides detail on the Council's strategic risks.

5.11 **Safeguarding**

5.11.1 It is the opinion of the author that there are no direct safeguarding implications as a result of this report

5.12 **Staffing**

5.12.1 The report contains information on strategic risks relevant to the delivery of the Council's corporate priorities.

5.13 **Stakeholders / Consultation / Timescales**

5.13.1 It is the opinion of the author that there are no direct implications arising from this report.

5.14 **Transformation Programme**

5.14.1 It is the opinion of the author that there are no direct implications arising from this report.

6.0 **WARDS/COMMUNITIES AFFECTED**

6.1 Not applicable.

7.0 **ACRONYMS**

7.1 ICT - Information Communication Technology

7.2 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 Breckland District Council Strategic Risk Register Q1 2018-19
Appendix B Breckland District Council Strategic Risk Register Q1 2018-19 (Below
the line - Exempt)