

BRECKLAND DISTRICT COUNCIL

Report of: Maxine O’Mahony - Executive Director of Strategy and Governance,
Executive Manager People & Public Protection

To: Governance and Audit Committee – Thursday 25th July 2019

Author: Ross Bangs – Corporate Innovation and Performance Manager

Subject: Quarter 1 19/20 Strategic Risk Report

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

Recommendation(s):

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

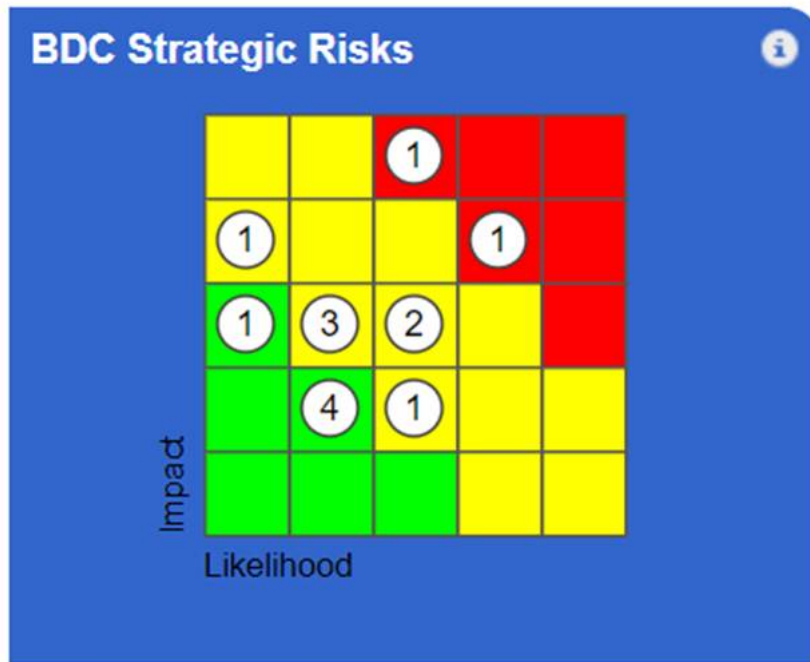
1.0 BACKGROUND

- 1.1 The report presents the status of the Council’s 14 identified strategic risks as of the end of quarter 1 19/20.
- 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 14 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 In their nature, strategic risks have been identified as having the potential to cause organisation wide impact and will often cover a number of key services and departments.
- 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 14 risks included within the Q4 risk Report.

The risks are made up of the following.

Level of identified Risk	Quarter 1 19/20	Quarter 4 18/19
High	2	2
Medium	7	7
Low	5	5

Although the number of risks identified have remained static, it should be noted that there have been some positive movements within the categories.

The risk relating to a critical breach of ICT security has been reduced both in terms of the likelihood and potential impact that this would have on the Council. This is as a result of the multiple steps, which are being taken to protect the internal IT systems from Cyber-attack, these include firewalls to restrict external access, up to date antivirus and malware software which is updated on a regular basis.

The risk relating to the Council’s ability to maximize income from its asset portfolio remains static, this is in the main due to the two existing vacant properties in Swaffham. Roman House which was the former Balfour Beatty site is currently undergoing a feasibility study to determine the long future of this asset whilst the former Green Brittan Centre is currently being marketed.

The impact of the Homelessness Reduction Act on the Council remains static and the

service continues to experience sustained levels of unprecedented demand. The Council recently invited a review of the Housing Service which was facilitated by the LGA, the results of which are due imminently with an action plan to be implemented.

Staff recruitment and retention continues to respond positively, although there was a small spike in the number of officers leaving the Council in Quarter 1, 5.1% compared with 3.4% in Quarter 4 this increase is a regular trend and the Council remains below the 6.5% national average. When vacancies have occurred, staff recruitment is performing very strongly which can be attributed to the new and innovative approaches currently being deployed by the HR service.

The risk relating to the implementation of the General Data Protection Regulation continues to be above target and a new target date is proposed for the 31st July to ensure audit recommendations are implemented and approved, these recommendations also involve new terms being drafted to include new contractual obligations to our suppliers and how they handle and process Council data.

The risk relating to how the Council's contracts are procured and managed remains static within the medium rating. The team continue to undergo and develop thorough supplier appraisals and are measuring the effectiveness through to contract award. In addition the team are keeping a watching brief on how implications surrounding Brexit may impact the Council's contracted supplier supply chains.

As part of the annual risk review, the team have reviewed all service areas and departments with the relevant Executive Director to ensure that any new identified risks are included within the register and suitable mitigation put in place. In addition, a wholesale review of all existing risks has been undertaken to ensure that the register remains current and relevant. There are a number of risks which have reached their target score and which has now been sustained for two quarters. It is proposed that these risks will be discussed at the meeting for the committee to decide whether or not they are demoted to operational risks as oppose strategic.

2.0 **OPTIONS**

2.1 Note the contents of the report and the recommendation and do nothing

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: - None

Lead Contact Officer

Name and Post: Ross Bangs – Corporate Innovation and Performance Manager
Telephone Number: 01362 665268
Email: ross.bangs@breckland-sholland.gov.uk

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 Q4 2018-19
Appendix B Breckland District Council Strategic Risk Register Q4 2018-19 (Below the line - Exempt)