

BRECKLAND DISTRICT COUNCIL

Report of: Maxine O'Mahony - Executive Director of Strategy and Governance
To: Governance and Audit Committee- Thursday 17th December 2020
Author: Ryan Pack - Innovation and Change Business Partner
Subject: Strategic Risk Update
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 This report presents the current status of the Council's strategic risks as of December 2020 due to this report not being presented to G&A in either the March or October Governance and Audit committees. This report serves to highlight the changes that the council's strategic risks have undergone during this period.
- 1.2 Strategic risks are captured on the Corporate Dashboard which is available to the Executive Management Team (EMT) and reviewed by EMT and GOLD as required while we remain in COVID response and COVID recovery.
- 1.3 Strategic risks have been reviewed and updated with responsible members of the Executive Management Team. 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.
- 1.4 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.
- 1.5 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.
- 1.6 Risks fall into High, Medium or Low categories depending on their rating.

High	
Medium	
Low	

- 1.7 Risks are tracked below in a heat map to represent the number of strategic risks currently reported at each score.
- 1.8 There are 12 risks included within the update report

The risks are made up of the following

Level of identified risk	Quarter 3 19/20	December 2020
High	0	1
Medium	9	9
Low	3	2

As per the minutes of Governance and Audit in January 2020, the risk related to failure to maximise trading opportunities has now been downgraded to a operational risk. This is the only risk that has been removed from the register during this time period.

The largest strategic risk for the council is currently the impact of an epidemic/pandemic event on key council services. This risk relates to the ongoing COVID-19 pandemic and the council's ability to respond to the ongoing situation to ensure that it continues to deliver services to it's residents. As per appendix A, mitigations remain in place to allow the council to respond to the ongoing pandemic.

Notably several other risks have been affected by COVID-19 and this is reflected in changes to their risk score. These changes can mainly be seen around financial risks (Medium term financial plan not delivered, Business rates retention scheme and Failure to maximise income from investment asset portfolio) due to the economic impact and uncertainty caused by the pandemic. In these cases, the decision has been taken to raise the likelihood of the risk. It should be noted that these changes have not led to any risks moving from a medium to a high risk.

The likelihood in relation to the council's critical breach of cyber security risk has also been raised in response to increased attacks within the public sector. It should be noted that this risk has not been raised based on any specific threat to the council but to reflect the wider situation that local authorities find themselves in.

The risk in relation to emerging government policy has also been raised slightly. This is in response to the number of decisions likely to affect the council in the next twelve months, A breakdown of these can be found in appendix A.

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 This report contains information on strategic risks relevant to the delivery of the Councils 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 This 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 consequences. 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 This report provides details 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 This 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.

6.0 WARDS/COMMUNITIES AFFECTED

6.1 Non applicable

7.0 ACRONYMS

7.1 EMT: Executive Management team

Background papers:- None

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Key Decision: No

Exempt Decision: No

This report refers to a Discretionary Service

Appendices attached to this report: (list appendices below or delete)

Appendix A Breckland District Council Strategic Risk Register
Appendix B Breckland District Council Strategic Risk Register (Below the line-
Exempt)
Appendix C Breckland District Council Strategic Risk Matrix