

## BRECKLAND DISTRICT COUNCIL

**Report of:** Maxine O'Mahony - Executive Director of Strategy and Governance

**To:** Audit Committee – 2<sup>nd</sup> September 2016

**Author:** Greg Pearson - Corporate Improvement & Performance Manager

**Subject:** Risk Report – Quarter 1 2016-17

**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 2016-17.
- 1.2 Strategic risks are captured on the Corporate Dashboard, reviewed by the Executive Management Team 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 10 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 Post mitigation the most significant current strategic risk remains the potential breach of the council's ICT provision. There has been a subtle decrease in score as a result of ongoing efforts to secure system processes. This will continue to be monitored closely.
- 1.6 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.
- 1.7 It is recommended that operational risks continue to be monitored monthly as part of the Performance, Risk and Audit Board and where a risk remains at a score of 15 or above for a period of more than 1 quarter after controls and mitigation have been put in place, this risk will then be considered a strategic risk and therefore be reported to this Committee.
- 1.8 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.

	Unlikely (1)	Possible (2)	Plausible (3)	Likely (4)	Certain (5)
Critical (5)	Yellow	Yellow	Red	Red	Red
High (4)	Yellow	Yellow	Yellow	Red	Red
Medium (3)	Green	Yellow	Yellow	Yellow	Red
Low (2)	Green	Green	Yellow	Yellow	Yellow
Minimal (1)	Green	Green	Green	Yellow	Yellow

1.9 Risks fall into High, Medium or Low categories depending on their rating

High	Red
Medium	Yellow
Low	Green

## 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

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Background papers: - [See The Committee Report Guide](#)

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**Lead Contact Officer**

Name and Post: Greg Pearson, Corporate Improvement & Performance Manager

Telephone Number: 07500-030900

Email: greg.pearson@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 Q1 2016-17