

BRECKLAND DISTRICT COUNCIL

Report of: Maxine O’Mahony - Executive Director of Strategy and Governance
To: Audit Committee – 29th September 2017
Author: Greg Pearson - Corporate Improvement & Performance Manager
Subject: Risk Report – Quarter 1 2017-18
Purpose: To inform the Committee on the current status of the Councils’ strategic risks

Recommendation(s):

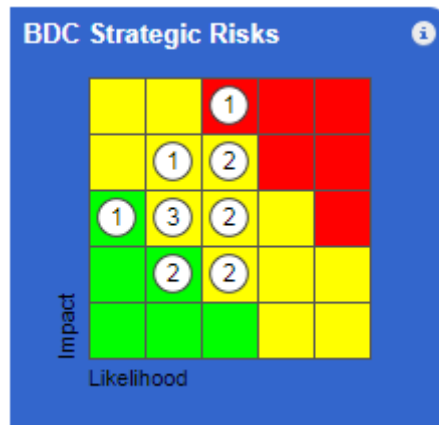
- 1) That the contents of the report are noted.

1.0 BACKGROUND

- 1.1 This report is has been compiled to include updates on strategic risks for quarter 1 of 2017-18.
- 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 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 is one risk currently reported in the high category. Post mitigation, the most significant strategic risk remains the potential breach of the council's ICT provision. Scoring remains the same as the previous quarter, anti-virus and web filtering continue to mitigate the risk of a virus infecting the systems; however a breach would have critical impact as it would result in a total shutdown of ICT to minimize exposure. The service reports that they are still working on further improvements which further mitigate the risk including upgrades to a number of applications and servers, changes to the firewall and proactive contact with staff about cyber security.

- 1.10 There are ten risks which fall into the medium category. Within this category there is an additional risk and a further three risks that have changed score compared to the last quarter. These are: -

- **Business rate retention scheme** – the risk score has decreased from nine in the previous quarter to six, this follows the lack of details of the 100% retention scheme in the recent queens speech reducing the likelihood. Though this will continue to be monitored
- **Failure to deliver local plan and its delivery plan** – the risk score has reduced from twelve in the previous quarter to eight, this follows the local plan being agreed by full council and into its final public consultation.
- **Under occupancy of Riverside once complete** – the risk score has increased from six in the previous quarter to twelve, this is due to a lack of interest from the market leaving units 1-4 currently unoccupied.
- **General Data Protection Regulation Implication** – this risk has been added to the register to highlight the possible risk that the council faces if the new regulations, which will replace the Data Protection Act, are not adopted within the required timescales. However, there is work ongoing already to ensure the ICT provisions are in place and staff are trained on the new regulations.

- 1.11 There are 3 risks which fall within the low category and are scored as they were in the previous 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 2017-18