



GA.46 15/16

**Governance & Audit
Committee**

Date: 19th January 2016

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Subject: Report title – Strategic Risks (Jan 2016)

Report by:

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Purpose / Summary:

To present Members with the strategic risks
facing the Council as at January 2016

**RECOMMENDATION(S): 1. To note and review the strategic risks as
presented.**

IMPLICATIONS

Legal: None

Financial: None FIN109/16

Staffing: None

Equality and Diversity including Human Rights: None

Risk Assessment: None

Climate Related Risks and Opportunities: None

Title and Location of any Background Papers used in the preparation of this report:

Call in and Urgency:

Is the decision one which Rule 14.7 of the Scrutiny Procedure Rules apply?

i.e. is the report exempt from being called in due to urgency (in consultation with C&I chairman)

Yes

No

Key Decision:

A matter which affects two or more wards, or has significant financial implications

Yes

No

1 Introduction

1.1 Strategic Risks are considered as being those faced by the Council that if materialised would affect the delivery of corporate priorities.

2 Monitoring Arrangements

2.1 The strategic risks are presented to Core Leadership Team (CLT) on a quarterly basis for review.

2.2 CLT are requested to review the risks, control measures and future actions to ensure that they remain sufficiently robust to mitigate the identified risks.

2.3 Where corrective action is required and/or additional risks are identified, the strategic risk register is updated accordingly.

3 Risk Register

3.1 The strategic risk register as at 3rd January 2016 is presented for Members to review.

4 Recent Developments

4.1 The Council's Risk Strategy has been reviewed to reflect the new internal structures. The Strategy is presented to Committee under separate cover.

4.2 In preparation for the review, a risk management workshop for relevant officers facilitated by Internal Audit was held in November 2015. Participation and discussion at this workshop was constructive.

5 Next Steps

5.1 CLT have arranged a session to collectively review the current strategic risks to ensure they effectively consider emerging matters such as cyber-crime and to ensure that the content of the strategic risk register fully reflects the intentions of the Risk Strategy.

5.2 On completion of this work, the strategic risk register will be presented back to the Committee for review.

| Risk Type | Title | Allocated To | Description | Risk Level | Control | Control Measures | Review Date | Actions | Review Period |
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| Strategic | Information Governance | Ian Knowles | Inappropriate, unnecessary, or absent controls and/or procedures to protect the integrity of corporate information assets. And ensure that information storage is appropriate | 3. High | Treat | 1. High quality data is available across the organisation and its partners that complies with legislation and meets the needs of business users. 2. The council's Information policies address Data Quality. 3. An Information Security Awareness Training Programme is in place that assures good management, security, and quality of data. 4. Corporate Information Governance Group (CIGG) established and Senior Information Risk Owner (SIRO) appointed. 5. Data Quality Policy in place. | 31/01/2016 | 1. Training and awareness sessions completed which includes data quality risks.(Update 29/7/2015 - Online information awareness training provision has expired - SMA to ensure that new training is in place by end Sep 2015) 2. Information Governance Strategy in development (draft stage) ready for review by CIGG and adoption. 3. Regularly review procedures in light of external changes. 4. CIGG assess risk and develop appropriate action plan to mitigate | Six-Monthly |
| Strategic | ICT Strategy | Ian Knowles | Lack of an overall strategy and any clarity, agreement, understanding of what the strategy should incorporate. Lack of clarity of the two way ICT partnership to deliver shared infrastructure. | 3. High | Treat | An ICT Strategy that embraces the latest digital/cloud technologies and represents VfM to effectively meet customer and Council needs. | 31/03/2016 | 1 - ICT Strategic overview and Action Plan agreed by CP & R in November 2015 2 - Strategic Lead for Organisational Transformation appointed Jan 2015. 3 - Implementation of Enterprise Architecture initiated in Jan 2016. 4 - Work ongoing with NK re shared priorities and strategic objectives. | Quarterly |

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| Strategic | Business Continuity arrangements | Ian Knowles | That Council services are maintained and remain able to deliver priority services in the event of a significant disruption or a major emergency in the District. | 2. Medium Treat | <p>1. ACOP's that describe service accountabilities and responsibilities for BC plans, EP plans and Duty Officer rota approved by CMT on 17th June 14 and presented via WLT to staff.</p> <p>2. Annual meeting held with each HoS and Senior Emergency Planner to review service EP and BC Plans and to update as necessary.</p> <p>3. BC/EP updates to be provided to WMT at least 3x/year</p> <p>4. Any BC/EP incidents are thoroughly debriefed and actions followed through to completion (PD)</p> <p>Leadership competencies following Director / Head of Service restructure and recruitment to be reviewed and training provided as appropriate by end of 2015 (PD)</p> | 31/03/2016 | <p>1. Revised ICT Business Continuity Plan agreed by CLT in Dec 2016 - This now being integrated with the emergency Planning by Paula Danville for February 2016.</p> <p>2. Leadership competencies following Director/Strategic Lead restructure and recruitment to be reviewed and training provided as appropriate by Jan 2016.</p> <p>3. SLT have worked with Paula Danville over the last quarter and a revised plan will be put in place by March 2016</p> <p>4. BCP and EP plans were reviewed by Oct 2015. The revised plan will be shared with appropriate staff in the first half of 2016</p> | Quarterly |
| Strategic | Financial sustainability in current financial climate | Ian Knowles | <p>1. Resulting from further severe local government funding reductions, a shortfall in planned income or significant increases in operating costs resulting in the inability to set a balanced budget.</p> <p>2. Impact on quality and level of service delivery and ability to influence and address social issues such as unemployment. Effect of economy on benefits and workload.</p> | 2. Medium Treat | <p>1. Financial Strategy and financial management information fit for an 'Entrepreneurial Council.'</p> <p>2. Transformation Plan outlining strategic options for cross service commissioning by outcomes.</p> <p>3. Monthly financial management performance monitoring across service areas via Progress and Delivery reports.</p> | 31/03/2016 | <p>1. Finance Matters II programme which delivers objectives of: a) Financial Mgt Information Strategy by June 2016 [This has been delayed whilst the Finance Team has been re-structured]. b) Processes and training provided by Dec 2015.</p> <p>2. Transformation Plan and VFM statement to be included in the MTFP 2016-2020.</p> | Quarterly |

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| Strategic | Effective Workforce & Political Skills | Ian Knowles | To ensure an agile, accountable, motivated skilled workforce that is managed by objectives that deliver outcomes and collaborate in a commercial and customer focussed, VFM manner. Required so as to: 1. Provide suitable training and development 2. Identify future workforce needs and succession planning. 3. To enable agile working and delivery by objectives and collaboration. 4. Provide strong leadership to deliver outcomes across the District. | 3. High | Treat | 1. Workforce training and development Plan based on workforce strategy that achieves outcomes detailed above. 2. Performance mgt framework will identify processes for reviewing and developing performance, motivation and development. | 31/03/2016 | 1. Leadership restructure implemented. Four of the planned six Strategic Leads appointed. The remaining two Strategic lead roles have been filled on an interim or temporary basis 2. Workforce and Training/Development Plan Action based on the People Strategy agreed by end of 2015. Implementation of the strategy will begin in 2016. | Quarterly |
| Strategic | Customer Expectations | Ian Knowles | Customer expectations and demands not met as a result of reduced budgets resulting in inconsistent customer experience and satisfaction across all points of contact within the Council. | 2. Medium | Treat | 1. Greater focus on customer standards and greater consistency on customer service and communications across all services. 2. Focus on communicating achievements and work with communities and customers to deliver success. 3. Greater analysis and action on complaints. Greater comparison of benchmarking and best practice. 4. Strong performance management framework. 5. People and OD programme. 6. Stress management plan. 7. Clear objectives through appraisals. | 31/03/2016 | The Strategic lead for Customer First has presented ideas to the Transformation Board and a Customer Strategy will be developed over the first quarter of 2016 | Quarterly |

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| Strategic | Governance | Ian Knowles | The ability of the council to work to the principles of good corporate governance expected to deliver the Corporate Plan, use resources effectively and deliver outcomes. | 2. Medium Treat | <ol style="list-style-type: none"> 1. Management Standards 2. Strengthen first and second lines of assurance. 3. Programme of Audits to monitor and learn. 4. ACoPs that are embedded 5. Management Standards 6. Workshops with staff to underline governance principles and to highlight roles and responsibilities. | 31/03/2016 | <ol style="list-style-type: none"> 1. A paper on the status and use of ACoPs will be considered by CLT in January 2016. 2. Performance mgt framework that identifies processes; 'golden thread'; roles and responsibilities will be considered as part of the review of Progress and delivery in q1 of 2016 3. Guidance to SLT based on three lines of assurance model; how it works; roles and responsibilities has been provided. The combined assurance report shows year on year improvement. There is a workshop for LST in Jan 2016 to consider Fraud and the role of Internal Audit. 4. Review of 2014/15 audits and learning to inform future governance arrangements has been used to inform the future Internal Audit Plan, Risk management review and future planning cycle. | Quarterly |
| Strategic | Impact of the current economy | Manjeet Gill | Impact on the most vulnerable, including businesses and people, leading to a decline in health, well-being, community confidence and pressure on housing benefits. Financial pressure on claimants. | 2. Medium Treat | <ol style="list-style-type: none"> 1. Partnership delivery for a) Gainsborough Growth; b) Gainsborough Town Centre; c) West Lindsey economy, skill and jobs. 2. Partnership for Gainsborough SWW focussed on outcomes. 3. Influence transport and infrastructure development through new County CX Growth Board and associated actions. 4. Growth Board provides developpemt, oversight and review of on-going and new programmes. | 31/01/2016 | <ol style="list-style-type: none"> 1. Gainsborough Housing Zone team established by March 2016 2. SWW focus on Council delivering effective envirocrime, ASB and selective licencing services with limited resources. 3. Hemswell / A15 corridor work developed with North Lincs Council. 4. Develop collaboration with Humber LEPs | Six-Monthly |

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| Strategic | Local Plan | Mark Sturgess | To ensure that the Local Plan reflects the growth needs of the District and the requirements of residents and businesses. While a Local Plan is not in place there is a possibility of increased development in locations that are inappropriate. | 3. High | Treat | <p>1. Robust evidence drives the policy and allocations within the plan so that it is found sound at the examination in public.</p> <p>2. Communications plan is developed to ensure that communities, local politicians and media understand the key strategic choices which have to be made within the plan.</p> <p>3. Learn from other local plans, government statements and liaison with PINs about the standard of evidence needed in order for the plan to be found sound.</p> <p>4. Ensure that the assumptions, research and statistics underpinning the plan are properly challenged to ensure that they reflect the circumstances of central Lincolnshire and that the plan is deliverable in the long term.</p> | 31/03/2016 | <p>1. Complete evidence gathering and assessment by June 2015. Done for the draft of the local plan which will go to the Joint Committee on 7 September 2015. Draft Local Plan was approved by the Committee at this meeting.</p> <p>2. Communications plan in place by May 2015. Done</p> <p>3. Consultation draft of the plan through the CLJSPC by July 2015. Consultation draft of the Local Plan will be considered by the CLJSPC on 7 September 2015. Done</p> <p>4. Consultation on the draft plan to start by September 2015. Consultation on the draft plan will start on 15 October 2015.</p> <p>5. Final draft to CLJSPC March 2016.</p> <p>6. Submission draft consultation April 2016.</p> <p>7. Submission to SofS May 2016.</p> <p>8. Public Examination of the Plan to start by Summer/Autumn 2016.</p> <p>9. Adoption of the plan by December 2016.</p> | Six-Monthly |
| Strategic | Commercial approach | Penny Sharp | To assess the risk relating to the non-realisation of the intended outcomes of our commercial approach | 3. High | Treat | Commercial Board has developed a risk log for key commercial risks which will be kept under regular review. Project-level commercial risks will be managed by project officers and escalated as necessary. | 31/03/2016 | Commercial delivery plan to be agreed by Council in November 2015. Individual business cases will consider the risks associated with new projects. Commercial risks to be reviewed in March 2016 as part of delivering the annual commercial delivery plan for 2016/17 | Six-Monthly |

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| Strategic | Inadequate Development Control Services | Mark Sturgess | A service that does not effectively meet performance standards and fails to manage diverse and conflicting expectations of stakeholders and deliver the homes, jobs, economic development and quality environment set out in the corporate plan. | 2. Medium Treat | A Development Control Service that is: Effective and efficient; Manages stakeholders needs and expectations. Works to clear standards and processes. Understands its role in delivering the objectives of the corporate plan - especially around residents first, open for business, management of the council's assets. Manages and understands its performance. Understands its costs and income. Is aware of the needs of the political environment within which it works. Is recognised as a leading in development management nationally (bench marking). | 31/03/2016 | <p>1. Diagnostic of development management service setting out current position, benchmarked against high performing (VfM; Quality; Satisfaction) services by November 2015. This will include seeking assurance around the actions proposed through a peer review of the service in October 2015.</p> <p>2. Improvement plan aligned to Local Plan process by Nov 2015.</p> <p>3. Improvement plan considered by C&I Committee February 2016</p> <p>4. Audit of planning service by March 2016 to ensure improvement implemented and required improvements are delivered.</p> | Quarterly |
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| Strategic | Political Governance | Manjeet Gill | <p>To ensure political governance is robust and realises the following outcomes:</p> <ol style="list-style-type: none"> 1. Decisions made by Committees follow on from effective engagement. 2. There are effective communications across all Committees, especially via Members with special responsibilities. 3. There is effective engagement within and attendance at Committees or established groups. 4. Management of conflict of interests and transparency in decision making while working within the Constitution. 5. Working to the standards set out by the Standards Board and that the member/officer role is effectively enacted. 6. Informed decisions based on evidence are taken. | 2. Medium Treat | <ol style="list-style-type: none"> 1. Fit for purpose and regularly reviewed Constitution 2. Chair's briefings 3. Regular meetings between Chief Executive and Lead Members 4. Administration steer on key policy development and corporate priorities. | 31/01/2016 | 1. Develop the political and Governance models for Greater Lincolnshire Partnership. | |
| Strategic | Prevent People Being Drawn into Extremism | Mark Sturgess | <p>Failure to monitor the presence of extremism in the District so we fail to comply with the duty introduced in July 2015 and risk people into the district being drawn into terrorism.</p> | 2. Medium Tolerate | <p>Work with the East Midland "Prevent" team to assess and monitor the risks in the District of people being drawn into extremism and and consider developing a strategy to deal with this should the risk level rise above the current level. (NB the current risk level in the District is low and so therefore does not require the District Council to have a strategy to deal with the risk of people in the District being drawn into extremism).</p> | 30/06/2016 | <p>Ensure that we have a lead officer (and a nominate deputy) to attend the East Midlands group where the risks levels are assessed and monitored across the region.</p> <p>Develop a strategy to deal with the risks of people being draw into extremism only if the risk level rises above the current level.</p> <p>Currently risk level reviewed in December 2015 and is still low.</p> | Six-Monthly |

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| Strategic | Impact of Devolution on WLDC | Manjeet Gill | The Chief Executive and Leader are working with all Lincolnshire Authorities to develop a submission to HM Treasury that will secure devolved resources and responsibilities for the Greater Lincolnshire area. | 3. High | Treat | Leaders and CX's lead on themes to ensure a Greater Lincolnshire FocusA shadow board / joint committee to formalise governance | 31/01/2016 | <ol style="list-style-type: none"> 1. Development of an Integrated Housing and Infrastructure Plan for Greater Lincolnshire. 2. Carry out Housing Market needs assessment over the next 12 months with a pipeline of housing delivery. | Monthly |
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