



GA.41 14/15
Committee: Governance & Audit
Date: 8th January 2015

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Subject: Strategic Risks (December 14)

Report by:

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Purpose / Summary:

To present Members with the strategic risks facing the Council as at December 2014

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

IMPLICATIONS

Legal: None

Financial: None FIN/104/15

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

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 Management Team (CMT) on a monthly basis for review.

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

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 23rd December 2014 is presented below for Members to review.

	A	B	D	E	K	L	N	O	P	Q	R
1	Risk Type	Risk Name	Risk Owner	Description	Rating	Risk Level	Control	Control Measures	Review Date	Actions	Review Period
141	Strategic	Financial sustainability in currently financial climate	Ian Knowles	Resulting from further severe local government funding reductions, a shortfall in planned income or significant increases in operating costs. 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.	3.Red	3. High	Treat	1. Five year budget strategy that looks at medium and long term planning to build greater resilience. 2. Stakeholder engagement to manage expectations and inform decisions on future savings and priorities for the council. 3. Wider approach to commercialisation.	31/12/2014	1. Delivery of 'Finance Matters' programme to enhance officer awareness and capability whilst also providing improved information to support the council's aspirations and entrepreneurial vision, and information on wider aspirations and entrepreneurial vision. Programme completed Aug 14. 2. Transformation plan to be in place by end of Mar 15, detailing the method by which the financial challenge (£2M in 2 years) will be delivered for financial years 2016/17 and 2017/18. 3. Headline proposals for finance of a transformational nature as part of 2 year plan have been shared with Leaders Panel in qtr 3 of 2014.	Quarterly
142	Strategic	Service reductions through failure to deliver	Mark Sturgess	Through greater collaboration with partners, parishes and communities, the efficiencies, service improvements and savings required leading to reduction in services and failure to address complex strategic change issues.	2.Amber	2. Medium	Treat	1. Regular meetings between politicians and managers with key partners to update and monitor joint actions. 2. Role of CMT to focus more on developing partnership delivery.	29/09/2014	1. Lead Committee Officers identified. Lead members and officers agreed for corporate priorities. 2. Engagement with lead members. 3. Monthly meetings to review effectiveness. 4. Deliver Partnership Audit Recommendations and Actions.	Monthly
143	Strategic	Leadership capability amongst members and managers	Ian Knowles	To proactively drive and make difficult decisions that are needed to adapt to the new environment, ability to build a more resilient council, balancing a difficult budget.	3.Red	3. High	Treat	1. Councillors and managers jointly agree approach to how we work as part of the Budget and Corporate Plan workshops. 2. Managers work to new management standards and focus resources on delivering priority outcomes. 3. Leadership development training programme managers for themes competency framework appraisals, ACOPs.	30/12/2014	1. Member development and training evaluation. 2. Development sessions with committee chairs undertaken and action completed. 3. OD work has been commissioned to embed competencies to complete by March 2014 4. Complete leadership restructure by Jan 2015	Quarterly
144	Strategic	Customer Expectations	Ian Knowles	Expectations exceeded and demand not met to reflect a reduced workforce with budget cuts.	1.Green	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.	31/12/2014	The e-accessibility project has completed the first stage and is now rolling out e-forms as part of business as usual (BAU) activity. We are in process of initiating a wider Customer First Strategy through an officer group which will develop activity to enhance the customer focus of WLDC services.	Quarterly

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145	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.Amber	2. Medium	Treat	1. Management Standards 2. Strengthen first and second lines of assurance. 3. Programme of Audits to monitor and learn. 4. ACoPs 5. Management Standards	31/12/2014	Ensure ACoPs are embedded and assure that they are being adhered to, acted on and reviewed. Management Standards Annual Governance Statement 2014 Smart action plan delivery and reporting Develop commercial approach to ensure that it meets the governance framework	Quarterly
146	Strategic	Impact of the current economy	Mark Sturgess	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.Amber	2. Medium	Treat	1. Greater targetted work on priority areas and neighbourhoods. 2. Develop ways to help youth unemployment and employability of young people. 3. Invest in development and growth of business. 4. Safeguarding policy in place. 5. Implementation of Broadband Project to support growth and connectivity among local businesses and communities.	30/09/2014	1. Develop a strategy for the local economy that identifies those areas which are of high importance in developing businesses and employment opportunities and have high impact once implemented - March 14. 2. Work with strategic partnership the GLLEP to access funding to support economic development within the district - monthly review. 3. Selective licensing. 4. Independent living.	Quarterly
147	Strategic	Local Plan	Mark Sturgess	Lack of a local plan and a five year housing land supply in the District will lead to more speculative planning applications, resulting in development taking place in unplanned locations. This will lead to more objections to development from the communities affected. This could lead to more challenges to decisions either through planning appeals (where applications are granted) and through the courts in the case of approvals. In addition where development is granted through the appeal process this could prejudice the delivery of corporate objectives by the council not being able to use housing development to drive regeneration in other parts of the District. This situation will continue until the District has up to date local plan coverage and a five year housing land supply.	2.Amber	2. Medium	Treat	Resource Local Plans Team at the central Lincolnshire level. Project plan for the delivery of the Local Plan. Ensure through appropriate challenge that the evidence base being developed for the local plan is robust and is capable of withstanding an Examination in Public. Monitor of the production of the Local Plan through the clientside arrangements which have been put in place. Involvement of councillors and communities in the development of the planning policy framework. Clear policies which meet the needs of the District in terms of where development should be located. Local Plan coverage for the District by 2016. Start to use the emerging local plan as soon as it starts to gain weight in the planning process. The central Lincolnshire local plans team needs to advise partner councils on this.	14/10/2014	Refresh evidence - June 2014 Community Engagement Strategy - on going through each stage of the local plan production Clientside to provide appropriate challenge to the evidence base being assembled. At each stage.	Six-Monthly
148	Strategic	Commercial approach	Penny Sharp	Added at CMT 23/6/14 - CMT to identify what the risk is, the likelihood and impact	3.Red	3. High	Treat	CMT to identify what measures will be put into place	28/11/2014	Awaiting development of revised commercial strategy and risk will be addressed at that time	

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	Strategic	Termination of lease for Market Rasen depot	Penny Sharp	The current lease for Market Rasen depot is due to end in March 2015. There is a risk that the Landlord could terminate the lease/is unwilling to extend the lease which would jeopardize Waste Services operations. It would take a number of months to arrange to relocate depot operations given licensing constraints.	2. Amber	2. Medium	Treat	1. A search has been undertaken for alternative sites within Market Rasen area. As yet none have been identified so Bruton Knowles have been instructed to negotiate an extension to the lease for Market Rasen depot. 2. If the lease cannot be extended Waste Services are prepared to operate from the Gainsborough depot on a temporary basis although this would increase operational costs and impact on efficiency.	23/01/2015	1. Search for alternative sites 2. Instruct Bruton Knowles re negotiation with landlord of site re extension 3. Make preparations for operations to run from Gainsborough Depot re business continuity plan	Monthly