



<b>GA.61 16/17</b>
<b>Committee: Governance &amp; Audit</b>
<b>Date: 18<sup>th</sup> April 2017</b>

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**Subject: Strategic Risks (April 2017)**

Report by:

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Purpose / Summary:

To present Members with the strategic risks  
facing the Council as at April 2017

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

## IMPLICATIONS

Legal: None

Financial: None FIN 152/17

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 plan priorities.

1.2 Governance and Audit Committee review the strategic risks on a six-monthly basis.

## **2 Monitoring Arrangements**

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

2.2 GCLT 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 Following the production of the Council's new Corporate Plan covering the period 2016-2020 and the revision of the Council's Risk Strategy, work has been undertaken to assess the risks to the achievement of the Corporate Plan priorities and to identify current mitigations and/or further required action to strengthen the mitigating position.

3.2 This work has produced a revised strategic risk register based upon the following priorities:

- Open for Business
- Asset Management
- People First
- Partnerships/Devolution
- Local Plan
- Excellent Value for Money Services

3.3 A number of additional risks have also been identified which focus on elements that underpin our workings e.g. compliance and business continuity.

3.4 This approach reflects the guidance provided by the Association of Local Authority Risk Managers (ALARM). This body advocates that strategic risks should focus on the long-term objectives of the organisation, which can be affected by areas such as financial concerns, political risks, legal and regulatory changes and changes in the physical environment.

3.5 The risk register is presented for review.

## **4 Risk Management Audit**

4.1 Internal Audit have recently completed an audit into the Council's risk management arrangements. This report provided a 'substantial assurance rating.

4.2 Internal Audit summarised their findings as follows:

"We found there are effective risk management processes in place for managing strategic and service risks. There are clear codes of practice in place which although need a slight update still clearly lay out the Council's expectations for the management of risk.

Strategic and service risks are centrally recorded, regularly reviewed, discussed and reported to management groups and the process is firmly established and understood. Managers showed a good awareness and understanding of monitoring, managing and considering risks as part of everyday service operations.

With firm foundations in place to manage and monitor risks the Council could now look to strengthen its processes by moving the focus of current monitoring from ensuring risks are up to date to include the quality and accuracy of the recorded risks."

## **5. Recommendation**

5.1 Members are asked to review the register and to consider:

- Do any additional risks of a strategic nature exist?
- Are current controls and proposed actions sufficiently robust?

Service Area: Title	Allocated To	Description of Potential Risk	Rating	Control	Control Measures	Review Date	Actions	Review Period
Strategic Information Governance	Ian Knowles	Data leakage and successful cyber-crime attempts occur leading to financial, reputational and legal consequences due to lack of robust controls, policies and processes which are not communicated to and followed by staff and Members.	3.Red	Treat	1. Data processing and storage complies with legislation. 2. Data quality is addressed within information policies. 3. Information Security training sessions are regularly held. 4. Data Quality policy in place. 5. Roles of Corporate Information Governance Group (CIGG), Senior Information Risk Owner (SIRO) and Senior Information Governance Officer (SIGO) established. 6. Information Asset Owners in place across the Council. 7. Information Governance Strategy in place. 8. On-going monitoring of developments in this field. 8. Data Protection Training undertaken across Council in summer '16. 9. External Audit complete and given a clean audit and positive VFM assessment. 10. Paper to GCLT on IG update Feb 2017.	01/06/17	1. Achieve an appropriate level of understanding and behaviours whereby Information Governance matters become business as usual considerations. 2. On-going training and review. 3. Implement GDPR by May 2018	Quarterly
Strategic Open for Business	Eve Fawcett-Moralee	Growth does not match the ambitions of the Council, skills issues are not addressed and analysis and promotion of the visitor economy does not materialise.	2.Amber	Treat	1. Capital Programme in place. 2. Strategic Partnerships formed (GLLEP). 3. LDO's and FEZ in place. 4. Growth Programme developed. 5. Effective Local Plan in development. 6. Growth Board overseeing programme/project development. 7. Progress and Delivery project reporting to Members. 8. Tourism working group in place.	01/06/17	1. To ensure that all service areas demonstrate behaviours and attitude that support the 'Open for Business' ethos.	Quarterly
Strategic People First	Ian Knowles	Customer - We do not deliver a customer focussed approach, provide appropriate infrastructure and facilities for residents.  Community & Residents - We do not provide leadership of place for our communities and residents to ensure their well-being is adversely affected.  Workforce - We do not develop, equip and support staff to be fully effective in their roles thereby unable to adhere to our customer focussed, entrepreneurial principles, resulting in poor service, non-motivated workforce and providing an unattractive offer both for residents and inward investment.	2.Amber	Treat	1. Gainsborough Growth Programme in place. 2. Effective Local Plan in development. 3. People Strategy developed incorporating culture change elements. 4. Devolution participation & partnership. 5. Understanding and fulfilment of the role we can play in health co-ordination	01/06/17	1. Develop out Customer Strategy. 2. Leisure Review to report providing potential options for future service delivery. 3. Member health commission to report by end of 2017.	Quarterly

Strategic	Asset Management	Eve Fawcett-Moralee	Our assets are underutilised, generate lower returns than required, do not facilitate inward investment or deliver fewer social benefits than expected.	2.Amber	Treat	1. Strategic Land & Property Plan in place. 2. Commercial Plan in place providing assurance on resourcing and implementation. 3. Land and Property review undertaken. 4. Asset mgt database (CAMS) in place and fully utilised. 5. Rolling stock condition survey programme implemented. 6. Planned maintenance programme being worked to.	01/05/17	1. Ensure appropriate skills/capability and capacity exist within the service via Land and Property structure review by Dec 2016. 2. Obtain assurance during 2017 from Internal Audit of effectiveness of the utilisation of CAMS.	Six-Monthly
Strategic	Devolution/Partnerships	Manjeet Gill	Devolution - Greater Lincolnshire Partnership and devolution deal does not materialise and devolved powers are not obtained.  Partnerships - We do not fulfil our role as influencer, shaper and co-ordinator of major economic, social and environmental issues that affect the District.  Partnerships - Our delivery vehicles for shared services/shared estate or trading companies do not effectively deliver against their intended purpose and achieve VfM.	2.Amber	Treat	1. Governance review and partnership approval for Greater Lincs scheme for creation of a Mayoral Combined Authority (MCA). 2. GCLT endorsement to undertaker review of strategic partnerships to assess their effectiveness and on-going relevance.	01/05/17	1. Obtain approval from all Councils by end of Oct 2016 on the MCA proposal. 2. Subject to 1 above, receive Parliamentary order by Feb 2017. 3. Completed review of partnerships and report to GCLT summer 17.	Quarterly
Strategic	Local Plan	Mark Sturgess	Local Plan is not adopted and/or does not reflect or meet the needs of both Gainsborough and the infrastructure, housing and growth priorities for West Lindsey and our intentions re Neighbourhood Plans are not aligned	2.Amber	Treat	1. Close scrutiny of Local Plan development. 2. Positive assurance in the form of audit findings relating to the process followed at the JPU. 3. LDOs and FEZ arrangements in place. 3. Challenge partners to ensure that they address the issues in their areas which could risk local plan adoption. 4. Neighbourhood Plans are supported via dedicated resource and political support. 5. Local Plan consultation completed and results utilised.	01/06/17	1. Deliver appropriate infrastructure to support Local Plan implementation and delivery. 2. Input in the Local Plan Examination to ensure that the inspector finds the plan "sound". 3. Generation of pipeline of Neighbourhood Plans on-going.	Quarterly
Strategic	Excellent VfM Services	Mark Sturgess	We do not identify and implement efficient and effective, lower-cost alternative service delivery models. We do not ensure sufficient focus on the financial drivers and value for money considerations of change/improvement proposals. We do not use effective benchmarking data to inform VfM decisions and failure of partnership mechanisms to deliver VfM considerations.	2.Amber	Treat	1. Functional analysis completed and results analysed to provide an internal benchmark. 2. People Strategy focussing on expected skills and behaviours. 3. Development Management improvement plan underway. 4. Programme/project management methodology and structures in place. 5. Progress & Delivery reporting in place. 6. Localism restructure implemented providing refreshed focus on the service. 7. VfM Handbook devised for staff and presentation to SLT. 8. Business Plans analysed and efficiency initiatives identified for service areas.	01/06/17	1. Appraise and design new service delivery model. 2. Establish ICT requirements to enable VfM services to be delivered. 3. Implement findings of Choice Based lettings audit. 4. Commission and commence reviews into enforcement, economic development and housing. 5. Undertake VfM assessments across service areas and report to CLT	Six-Monthly

Strategic	Commercial Approach	Manjeet Gill	Commercial Projects do not deliver anticipated benefits resulting in increased financial pressures	3.Red	Treat	1. Commercial Strategy in place. 2. Commercial steering group (including Members) established. 3. Entrepreneurial has oversight of high risk commercial programmes and investments. 4. Capital Programme oversight and Progress and Delivery project reporting to Members. 5. Budget Monitoring undertaken, including Trading Statements. 6. Substantial assurance audit finding (Oct 2016) re Traded Services. 7. Creation of Trading and Operational Services Manager to provide capacity & capability.	01/05/17	1. Ensure appropriate skills, capacity and structures are in place to deliver commercial initiatives.	Quarterly
Strategic	Corporate Health & Safe	Manjeet Gill	We do not adequately ensure that our staff and visitors are protected in the workplace from accidents or work-related ill-health by eliminating hazards from work activities where possible and where not, assessing and ensuring adequate control of the associated risks. This leads to an unsafe workplace and inadequate care for staff and potential legal action	2.Amber	Treat	1. KMSKMW group in place to consider H&S issues. 2. H&S co-ordinator role in place. 3. H&S Champions across the Council. 4. Regular H&S walks undertaken to identify and report potential hazards in the workplace. 5. Stress management awareness for staff and subscription to CareLine facility. 6. Regularly reviewed service level H&S and lone working risk assessments and protocols in place. 7. Regular H&S council-wide training undertaken. 8. Reporting to CLT on H&S incidents. 9. JSCC considers H&S related matters. 10. Dignity at Work training undertaken in Nov '16.	01/05/17		Six-Monthly
Strategic	Compliance	Ian Knowles	We do not comply, or fail to correctly implement relevant, statutory legislation resulting in adverse reputational impacts and legal and financial consequences.	2.Amber	Treat	1. Horizon Scanning functions undertaken. 2. Monitoring Officer in place. 3. Annual production of Governance Statement. 4. Regular liaison with Lincs Legal Shared Services. 5. Legal implications detailed in reports. 6. Review undertaken of CIPFA Delivering Good Governance guidance and reference made in WLDC Constitution.	01/05/17	1. Undertake review of Horizon Scanning function to ensure it provides GCLT with quality information and strategic oversight to inform resource prioritisation and allocation.	Quarterly
Strategic	Business Continuity	Mark Sturgess	Council services are not maintained and priority services are not provided in the event of significant disruption or a major emergency in the District.	2.Amber	Treat	1. Business Continuity Plan in place. 2. Regular training events held. 3. Use of LCC based Emergency Planning Officer. 4. ICT recovery policy and protocols. 5. Service level business continuity plans in place. 6. Out of Hours rota in place.	01/06/17	1. Review of effectiveness of service level business continuity plans.	Quarterly