

**SUBJECT: STRATEGIC RISK REGISTER - QUARTERLY REVIEW**

**DIRECTORATE: CHIEF EXECUTIVE AND TOWN CLERK**

**LEAD OFFICER: JACLYN GIBSON, CHIEF FINANCE OFFICER**

## **1. Purpose of Report**

- 1.1 To provide Members with a status report of the revised Strategic Risk Register as at the end of the second quarter 2018-19.

## **2. Executive Summary**

- 2.1 An update of the Strategic Risk Register, developed under the risk management approach of 'risk appetite', was last presented to Members in August 2018 and contained seven strategic risks.
- 2.2 Since reporting to Members in August 2018, the Strategic Risk Register has been reviewed and updated by the relevant Assistant Directors. This review has identified that there have been some positive movement in the Risk Register. There has also been an additional risk added No. 8 Decline in the economic prosperity within the City Centre.
- 2.3 The updated Register is attached at Appendix A, this contains eight strategic risks.

## **3. Movements in the Strategic Risk Register**

- 3.1 A number of further control actions have now been progressed or completed and the key movements are outlined as follows:

Risk No. 3 Failure to deliver the Towards Financial Sustainability Programme whilst ensuring the resilience of the Council. Continued monitoring of the Phase 5 Programme with development of phase 6 proposals now in progress. The development of a high level commercial strategy will be drafted alongside the development of an investment strategy for property acquisition scheduled for completion December 2018. Linkages to Organisational Development and Leadership Development to be explored in March 2019.

Risk No 4. Failure to ensure compliance with statutory duties/functions and appropriate governance arrangements in place. IT disaster recovery plan is drafted. An internal audit has been completed, actions have been allocated and now being refined by Business Continuity Planning Group.

Risk No. 6 Unable to meet the emerging changes required in the Council's culture, behaviour and skills to support the delivery of the Council's Vision 2020

and the transformation journey to “One Council” approach. Further work to review People Strategy in line with “One Council” at CMT scheduled for October 2018. Completion of staff Global Challenge with award event to take place in November 2018 with Leader and CX to highlight successes such as improvement of physical, social and mental wellbeing.

A new risk has been added to the Strategic Risk Register at Risk No 8. Decline in the economic prosperity within the City Centre. Whilst work is ongoing in supporting businesses in ensuring Lincoln is a thriving city an intervention team to support rough sleeping/homelessness/street begging has been set up. The team is a joined up approach, with officers from City of Lincoln Council, Lincolnshire Police, LPFT, Lincoln BIG and Addaction using a mix of outreach support, treatment and potentially legal enforcement. A media launch is scheduled for mid October 2018.

- 3.2 The above movement in control actions has resulted in changes to the assessed levels of likelihood and impact of risks identified on risk no. 1

Control actions continue to be implemented and risks managed accordingly:

| <b>Risk No.</b> | <b>Risk Rating</b> | <b>Likelihood</b> | <b>Impact</b> |
|-----------------|--------------------|-------------------|---------------|
| 2               | Red/High           | Probable          | Critical      |
| 5               | Amber/Medium       | Possible          | Critical      |
| 6 & 7           | Amber/Medium       | Probable          | Major         |
| 1, 3, 4 & 8     | Amber/Medium       | Possible          | Major         |

- 3.3 A revised Strategic Risk Register is attached at Appendix A.

#### **4. Strategic Priorities**

- 4.1 Sound risk management is one way in which the Council ensures that it discharges its functions in accordance with its expressed priorities, as set out in the Vision 2020, and that it does so in accordance with statutory requirements.

#### **5. Organisational Impacts**

- 5.1 Finance – There are no direct financial implications arising as a result of this report. The Council’s Strategic Risk Register contains two specific risks in relation to the Medium Term Financial Strategy and the Towards Financial Sustainability Programme.

- 5.2 Legal Implications including Procurement Rules – The Council is required under the Accounts and Audit Regulations 2011 to have a sound system of Internal Control which facilitates the effective exercise of the Council’s functions and which includes arrangements for the management of risk. The maintenance of a Strategic Risk Register and the control actions which the Council undertakes are part of the way in which the Council fulfils this duty.

#### **6. Risk Implications**

6.1 The Strategic Risk Register contains the key strategic risks to the delivery of the Council's medium and longer term priorities. A failure to monitor the action that is being taken to manage these risks would undermine the Council's governance arrangements.

## 7. Recommendations

7.1 Performance Scrutiny Committee are asked to note and comment on the Strategic Risk Register as at the end of the second quarter 18-19.

**Key Decision** No

**Do the Exempt Information Categories Apply?** No

**Call in and Urgency: Is the decision one to which Rule 15 of the Scrutiny Procedure Rules apply?** No

**How many appendices does the report contain?** Strategic Risk Register – Appendix A

**List of Background Papers:** N/A

**Lead Officer:** Jaclyn Gibson  
Chief Finance Officer