

STRATEGIC RISK REGISTER

1. INTRODUCTION AND PURPOSE

- 1.1 In 2013 Cabinet approved a revised version of the Risk Management Strategy and an updated summary Strategic Risk Register.
- 1.2 The nature of the Strategic Risk Register means that it is unlikely to change significantly from one year to the next, it is important however that the risks are kept under review. The summary register has been updated to reflect updates in the Delivery Plan of Corporate Aims approved by Cabinet in June 2014 and is presented to the EMT/Audit Committee for their consideration.

2. BACKGROUND

- 2.1 Risk management aims to identify the significant risks that may impact on the Council achieving its objectives. Its purpose is to evaluate, design and implement effective measures to reduce both the likelihood and potential impact of these risks occurring.
- 2.2 The Council has a statutory responsibility to have in place arrangements for managing risks under the Accounts and Audit Regulations 2003 which require a sound system of internal control which facilitates the effective exercise of the body's functions and includes arrangements for the management of risk. As such it features strongly in the Council's Local Code of Practice for Corporate Governance and is one of the primary assurance strands in the Annual Governance Statement which places significant reliance on a robust risk management framework.

3. RISK MANAGEMENT FRAMEWORK

- 3.1 The Council's Risk Management framework is made up of a number of elements largely embedded in existing processes. In addition to strategic risk management, illustrated through the Strategy and Strategic Risk Register, it includes work place health and safety, ICT disaster recovery, business continuity planning and operational risk management including the provision of third party insurance cover and claims handling.
- 3.2 The updated Strategic Risk Register (Appendix 1) summarises the significant risks to the delivery of the Corporate Plan and the proposed actions of the Portfolio Holder to mitigate against these risks, consequently it is closely aligned to the Delivery Plan approved by Cabinet in June. It also analyses the level of risk associated with the achievement of each aim. Appendix 2 contains the detail behind the summary register and is presented to the Audit Committee for review of its effectiveness.
- 3.3 The corporate plan webpages reflect the risks to each of the corporate plan aims.

4. FINANCIAL IMPLICATIONS

4.1 There are none arising directly from this report.

5. EQUALITY & DIVERSITY, ENVIRONMENTAL AND CRIME & DISORDER IMPLICATIONS

5.1 There are none arising directly from this report.

6. RECOMMENDATIONS

It is recommended that EMT/Audit Committee:

6.1 Consider and note the revised Strategic Risk Register.

For Further Information Please Contact:

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Background Papers:

Audit Committee 20/09/13 Report G
(Risk Management Strategy and
Strategic Risk Register)

Cabinet 04/09/13 Report B (Risk
Management Strategy and Strategic
Risk Register)

Portfolio	High Risk Areas Identified	To Mitigate against these risks the Portfolio Holder will:
Leader's	Economic conditions limit growth and employment in the district	<ul style="list-style-type: none"> ▪ Develop new and reinforce existing links to Local Enterprise Partnerships to benefit the District following the work of the Task & Finish Group ▪ Develop a web based business portal to offer a single point of contact with the Council to support businesses within the district
Finance & Efficiency	Continued financial austerity, lower levels of government funding and the introduction of legislative changes	<ul style="list-style-type: none"> ▪ Develop a Medium Term Financial Plan that delivers the Council's priorities ▪ Promote financial and digital inclusion for benefit claimants ▪ Monitor business rate growth and the impact on the Council's finances
Housing & Communities	Affordable housing does not meet the needs of the district	<ul style="list-style-type: none"> ▪ Continue to manage the issues arising from introductory tenancies ▪ Continue to acquire properties on the open market and construct new Council properties ▪ Continue to work with partner Registered Providers to deliver additional homes in the District
Health & Leisure	Maintaining 5 quality Health & Leisure Centres	<ul style="list-style-type: none"> ▪ Monitor business performance to support current spending ▪ Continue with maintenance in fabric based around business cases
Environment	Protecting the Coastline	<ul style="list-style-type: none"> ▪ Have in place a coastal maintenance programme identifying priority projects ▪ Undertake agreed coastal monitoring studies
Planning & Transportation	External pressure for development	<ul style="list-style-type: none"> ▪ Commence work on a new Local Plan which fully reflects the requirements of the National Planning Policy Framework ▪ Introduce Community Infrastructure Levy

	Aim	Risk Score
LEADER'S	Engaging the Public <i>'the community feels involved and informed by its democratic leadership'</i>	Low
	Delivering through people <i>'Services are provided by a motivated and flexible workforce, with the appropriate skills to deliver and meet changing needs'</i>	Moderate
	Supporting local businesses <i>'The local economy performs well'</i>	High
	Dealing with local emergencies <i>'Reassurance is provided that should local emergencies arise, measures are in place to minimise disruption'</i>	Moderate
FINANCE & EFFICIENCY	Managing our Finances <i>"Local council tax payers and users of services receive value for money"</i>	High
	Managing our physical assets <i>"Public assets are optimised, through appropriate and efficient use"</i>	Low
	Delivering customer benefits through technology <i>"More efficient, simpler, faster and joined up services provided and choice and flexibility offered to customers by technology"</i>	Low
	Maintaining strong governance <i>"Decisions taken within the Council have an effective framework of accountability"</i>	Moderate
HOUSING & COMMUNITIES	Managing our housing <i>"The housing stock meets the aspirations and needs of existing and future tenants"</i>	High
	Helping provide affordable housing for local people <i>"Additional affordable housing is provided"</i>	High
	Valuing and supporting older people <i>"Older people's needs are championed"</i>	Moderate
	Working with partners to keep crime and anti social behaviour low <i>"The community feels safer"</i>	Moderate
HEALTH & LEISURE	Encouraging active communities through leisure and culture <i>"Local agencies are supported to provide leisure and culture for local people"</i>	Moderate
	Helping improve people's health <i>"The health and wellbeing of local people is promoted"</i>	Moderate
	Managing our leisure facilities well <i>"Quality facilities are provided to encourage active, healthy and vibrant communities"</i>	High
	Promoting opportunities for children and young people <i>"Children and young people are provided for within the Council's activities"</i>	Moderate
ENVIRONMENT	Ensuring streets and public spaces are clean <i>"The environment is attractive and safe for people to live, work and visit"</i>	Moderate
	Protecting the environment and promoting the wise use of natural resources <i>"Precious natural resources are protected and damage to the environment through landfill is reduced"</i> <i>And "The Council's own activities will operate with a reduced carbon footprint and environmental impact"</i>	Moderate
	Delivering the waste collection service people want <i>"The waste collection service efficiently meets the needs of New Forest residents"</i>	Low
	Managing our coastline <i>"The coastline's protection is promoted"</i>	High
	Protecting communities from health hazards <i>"The community is able to enjoy the environment"</i>	Moderate
PLANNING & TRANSPORTATION	Enabling development which meets local aspirations <i>"Development recognises the New Forest's unique environment and varied character"</i>	High
	Using planning to protect the environment and maintain local distinctiveness <i>"High standards of development secured which recognise the special and varied character of the New Forest"</i>	Moderate
	Securing appropriate sites for employment and housing in line with the core strategy <i>"Housing and employment development which is appreciative of the unique environment"</i>	Moderate
	Improving transport and traffic management <i>"The movement of people who live, work and visit the New Forest is encouraged and safe"</i>	Moderate

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Leader's Portfolio				
Aim	Ref	Risk	Likelihood x Impact	Residual Risk Score
Engaging the Public 'the community feels involved and informed by its democratic leadership'	L.1	Community engagement is ineffective	1x1	1 Low
Delivering through people 'Services are provided by a motivated and flexible workforce, with the appropriate skills to deliver and meet changing needs'	L.2	Staff performance and productivity are poor due to low morale, increase in staff dissatisfaction and capability cases	3x2	6 Moderate
		Difficulty in maintaining some services due to reduced resources	3x2	6 Moderate
Supporting local businesses 'The local economy performs well'	L.3	Economic conditions limit growth and employment in the district	3x3	9 High
Dealing with local emergencies <i>'Reassurance is provided that should local emergencies arise, measures are in place to minimise disruption'</i>	L.4	Inability to respond to local emergencies	1x3	3 Moderate

Strategic action to identify and manage higher risks within the Portfolio

Economic conditions limit growth and employment

To mitigate these risks the Council will:

- Develop new and reinforce existing links to Local Enterprise Partnerships to benefit the District following the work of the Task & Finish Group
- Develop a web based business portal to offer a single point of contact with the Council to support businesses within the district

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Finance & Efficiency Portfolio				
Aim	Ref	Risk	Likelihood x Impact	Residual Risk Score
Managing our Finances <i>“Local council tax payers and users of services receive value for money”</i>	FE.1	Continued pressure on Council finances result in an inability to deliver services	3x3	9 High
	FE.2	Changes introduced by the Local Government Finance Bill and other legislative changes are not implemented effectively	3x3	9 High
	FE.3	Benefit changes and the introduction of Universal Credit adversely affect income recovery	3x3	9 High
	FE.4	Changes to business rate retention and grant regime adversely affect finances	3x3	9 High
Managing our physical assets <i>“Public assets are optimised, through appropriate and efficient use“</i>	FE.5	Assets are not optimised or appropriately managed to meet the Council’s needs	1x2	2 Low
Delivering customer benefits through technology <i>“More efficient, simpler, faster and joined up services provided and choice and flexibility offered to customers by technology”</i>	FE.6	Benefits of new technology not realised	1x2	2 Low

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<p>Maintaining strong governance</p> <p><i>“Decisions taken within the Council have an effective framework of accountability”</i></p>	<p>FE.7</p>	<p>Decisions taken are outside the Council’s agreed process</p>	<p>1x3</p>	<p>3 Moderate</p>
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Strategic action to identify and manage higher risks within the Portfolio

Continued financial austerity, lower levels of government funding and the introduction of legislative changes

To mitigate these risks the Council will:

- Develop a Medium Term Financial Plan that delivers the Council’s priorities
- Promote financial and digital inclusion for benefit claimants
- Monitor business rate growth and the impact on the Council’s finances

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Housing & Communities Portfolio				
Aim	Ref	Risk	Likelihood x Impact	Residual Risk Score
Managing our housing <i>“The housing stock meets the aspirations and needs of existing and future tenants”</i>	HC.1	The housing stock does not meet the decent homes standard	1x3	3 Moderate
	HC.2	The number of suitable houses within the Council’s housing stock is insufficient to meet demand	3x4	12 High
Helping provide affordable housing for local people <i>“Additional affordable housing is provided”</i>	HC.3	There is insufficient affordable housing to meet the needs of the District	3x4	12 High
Valuing and supporting older people <i>“Older people’s needs are championed”</i>	HC.4	Older people within the district feel unrepresented	2x3	6 Moderate
Working with partners to keep crime and anti social behaviour low <i>“The community feels safer”</i>	HC.5	The fear of crime and incidences of crime and anti social behaviour are not managed	2x3	6 Moderate

Strategic action to identify and manage higher risks within the Portfolio

Affordable housing does not meet the needs of the district

To mitigate these risks the Council will:

- Continue to manage the issues arising from introductory tenancies
- Continue to acquire properties on the open market and construct new Council properties
- Continue to work with partner Registered Providers to deliver additional homes in the District

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Health & Leisure Portfolio				
Aim	Ref	Risk	Likelihood x Impact	Residual Risk Score
Encouraging active communities through leisure and culture <i>“Local agencies are supported to provide leisure and culture for local people”</i>	HL.1	Local people don't have the opportunity to engage locally in leisure and culture activities to the detriment of their health and wellbeing	1x3	3 Moderate
Helping improve people's health <i>“The health and wellbeing of local people is promoted”</i>	HL.2	Local health needs are not addressed resulting in adverse health & wellbeing implications	2x3	6 Moderate
Managing our leisure facilities well <i>“Quality facilities are provided to encourage active, healthy and vibrant communities”</i>	HL.3	Funding austerity limits the maintenance of Health & Leisure Centres is insufficient to support the business and Council assets are not appropriately maintained	3x3	9 High
Promoting opportunities for children and young people <i>“Children and young people are provided for within the Council's activities”</i>	HL.4	A high proportion of young people fail to access services and activities provided	2x3	6 Moderate
Strategic action to identify and manage higher risks within the Portfolio Maintaining 5 quality Health & Leisure Centres To mitigate these risks the Council will: <ul style="list-style-type: none"> ▪ Monitor business performance to support current spending ▪ Continue with maintenance in fabric based around business cases 				

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Environment Portfolio				
Aim	Ref	Risk	Likelihood x Impact	Risk Score
Ensuring streets and public spaces are clean <i>“The environment is attractive and safe for people to live, work and visit”</i>	E.1	Streets and public spaces are not safe and attractive	1x3	3 Moderate
	E.2	Insufficient burial space to meet the needs of the district	3x2	6 Moderate
Protecting the environment and promoting the wise use of natural resources <i>“Precious natural resources are protected and damage to the environment through landfill is reduced”</i> <i>And</i> <i>“The Council’s own activities will operate with a reduced carbon footprint and environmental impact”</i>	E.3	Recycling rates and energy usage do not support the protection of precious natural resources and damage to the environment through landfill	2x3	6 Moderate
	E.4	The Council’s own activities have an adverse impact on the environment	1x3	3 Moderate
Delivering the waste collection service people want <i>“The waste collection service efficiently meets the needs of New Forest residents”</i>	E.5	The waste collection service does not meet the needs of residents during a time of financial austerity	1x2	2 Low
Managing our coastline <i>“The coastline’s protection is promoted”</i>	E.6	Changes in funding regime result in the inability to deliver schemes to protect the coastline	3x3	9 High

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<p>Protecting communities from health hazards</p> <p><i>“The community is able to enjoy the environment”</i></p>	<p>E.7</p>	<p>The health of residents and visitors is compromised</p>	<p>2x3</p>	<p>6 Moderate</p>
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Strategic action to identify and manage higher risks within the Portfolio

Protecting the Coastline

To mitigate these risks the Council will:

- Have in place a coastal maintenance programme identifying priority projects
- Undertake agreed coastal monitoring studies

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Planning & Transportation Portfolio				
Aim	Ref	Risk	Likelihood x Impact	Risk Score
Enabling development which meets local aspirations <i>“Development recognises the New Forest’s unique environment and varied character”</i>	PT.1	External pressures leads to development that does not meet the aspirations of local communities	3x3	9 High
Using planning to protect the environment and maintain local distinctiveness <i>“High standards of development secured which recognise the special and varied character of the New Forest”</i>	PT.3	Development is detrimental to the area	2x3	6 Moderate
	PT.4	Insufficient resources to progress planning policies	2x3	6 Moderate
Securing appropriate sites for employment and housing in line with the core strategy <i>“Housing and employment development which is appreciative of the unique environment”</i>	PT.5	Economic and housing needs are not met	2x3	6 Moderate
Improving transport and traffic management <i>“The movement of people who live, work and visit the New Forest is encouraged and safe”</i>	PT.6	Transport infrastructure and traffic management does not support the safe and efficient flow of traffic	1x3	3 Moderate

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PT.7	Public parking facilities are underutilised	1x3	3 Moderate
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Strategic action to identify and manage higher risks within the Portfolio

External pressure for development

To mitigate these risks the Council will:

- Commence work on a new Local Plan which fully reflects the requirements of the National Planning Policy Framework
- Introduce Community Infrastructure Levy