

Report to: **Audit, Best Value and Community Services Scrutiny Committee**

Date: **6 November 2012**

By: **Interim Director of Corporate Resources**

Title of report: **Strategic Risk Monitoring**

Purpose of report: **To update the Committee on current Strategic Risks faced by the Council their status and mitigating actions**

RECOMMENDATION: The Committee is recommended to note the current strategic risks, the update of their status and the mitigating actions being proposed and implemented by Chief Officers.

1. Financial Appraisal

1.1 There are no direct financial implications from this report. There are however significant financial implications that could arise through the failure to operate a sound risk management regime.

2. Supporting Information

2.1 We are strengthening our approach to risk management in response to the changing risk landscape across the public sector and a changing risk profile for the County Council. The aim is to move towards a more mature, dynamic and real time approach which promotes a risk aware/informed culture and supports the Council in managing the delivery of priority outcomes with reducing resources.

2.2 The revised Strategic Risk Register is attached as Appendix A and reflects the first stage of this development. Whilst the format is broadly the same as previously a number of changes have already been made:

- The register is more clearly focused on the risks to the delivery of the Council's key corporate objectives, as set out in the Promise;
- There is a clearer link between the Strategic Risk Register and departmental risk registers which are now reviewed on a monthly basis at departmental management teams and are reported quarterly to CMT to allow escalation – in this case Strat-09, the risk of failure to deliver sustainable improvement in the condition of A & B class roads has been escalated from the ETE risk register;
- Risk monitoring is now integrated alongside finance and performance monitoring as part of a single quarterly report to CMT and Cabinet.

2.4 In addition we intend, as part of the Quarter 2 monitoring round, to circulate departmental risk registers to the relevant Scrutiny Committees to inform their activities and workplans.

2.5 These are initial steps, building on existing arrangements, which will be developed further, alongside the integration of our quarterly monitoring processes for finance and performance and the sharper focus on priority outcomes as part of RPPR for 2013/14. Developing plans and progress will be reported to future meetings of this Committee.

ANDREW TRAVERS
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Local Member: All

Background Documents
None

STRATEGIC RISK REGISTER					
The following 'heat map' highlights the number of risks currently on strategic risk register and their current rating using the 4x4 matrix - likelihood and impact					
Score		Impact			
		1 Low	2 Medium	3 High	4 Extreme
4 Almost certain	0	0	0	0	
3 Likely	0	0	6	2	
2 Moderate	0	0	0	1	
1 Unlikely / Rare	0	0	0	0	

Risk Level	Reference	Risk	(I) Impact Score 0 - 4	(L) Likelihood	Risk Score (L x I)	Risk Control	Department	Owner	Last Updated
Strategic	Strat-07	Welfare reform leading to sub-optimal outcomes for East Sussex community. Impact on working age adults and potential financial impact on County, District and Borough services.	4	3	12	Joint approach with boroughs and districts to design common scheme for East Sussex Specialist support commissioned for financial modelling Potential financial impact reflected through RPPR partnership approach through Financial Inclusion Partnership	Corporate	Becky Shaw	29/08/2012
Strategic	Strat-01	Failure to plan a strategic corporate response to resource reductions, demographic change, and regional economic challenges.	4	3	12	RPPR process incl. medium term financial planning and development of savings options Commissioning strategy and work programme Strategic approach to partnerships Corporate change programme - infrastructure and programmes in place to support delivery of objectives e.g. Agile, Consolidation Engagement with Leadership Group	Corporate	Becky Shaw	08/08/2012
Strategic	Strat-09 (formerly ETFE-34)	Failure to achieve a sustainable improvement in the condition of A&B class roads.	3	3	9	Deliver third year of investment in 2012/13 as planned Develop asset plan to inform choices about investment and their impacts; Propose level of capital investment required over next 5 years; Build on collaborative working with Surrey to secure efficiencies in rates and exploit joint purchasing power	ETFE	Rupert Clubb	11/09/2012 escalated from ETE risk log 29/08/2012

Risk Level	Reference	Risk	(I) Impact Score 0 - 4	(L) Likelihood	Risk Score (L x I)	Risk Control	Department	Owner	Last Updated
Strategic	Strat-06	Health changes leading to sub-optimal outcomes for East Sussex community. Impact of local NHS deficit and recovery plan on both health outcomes and ESCC services / costs.	3	3	9	Partnership working with CCGs and NHS Sussex on the development of joint commissioning and delivery arrangements for health and social care Shadow Health and Well Being Board to promote partnership working and oversee development and implementation of Health and Well Being Strategy Development of strategic plan for improving the health and well being of East Sussex residents Robust programme management arrangements for the agreed plans Management of joint commissioning arrangements Quality Innovation Productivity and Prevention targets and health and social care transformation Early Implementer status for Public Health Multi Agency Public Health Steering Group to oversee new arrangement	Corporate	Becky Shaw	29/08/2012
Strategic	Strat-02	Lack of capacity to deliver corporate change programme.	3	3	9	Focussing existing resources to deliver corporate priorities Secure additional specialist support where needed Effective staff engagement Clear plans to deliver and co-ordinate workstreams and	Corporate	Becky Shaw	18/09/2012
Strategic	Strat-03	Failure to deliver capital programme outcomes on-time and on-budget.	3	3	9	Establish Capital Board and develop work programme Capital programme more clearly linked to RPPR Procure specialist delivery support Property Improvement Plan	Corporate	Matt Dunkley	08/08/2012
Strategic	Strat-04	Ineffective corporate support functions	3	3	9	Implementation of improvement plans for procurement, property and ICT Consolidation of resource functions under COO Develop strategic partnerships for support service functions	Corporate	Andrew Travers	08/08/2012

Risk Level	Reference	Risk	(I) Impact Score 0 - 4	(L) Likelihood	Risk Score (L x I)	Risk Control	Department	Owner	Last Updated
Strategic	Strat-05	Under-informed and under-motivated workforce results in adverse impact on service delivery / performance and ability to successfully deliver service transformation / corporate change programme.	3	3	9	Employee engagement programme Review of internal communication function Consistent and supportive management of single status roll out and restructuring HRMB work programme	Corporate	Simon Hughes	29/08/2012
Strategic	Strat-08	Decline in the regional and sub-regional economy and failure to deliver local economic regeneration	4	2	8	Implement economic development strategy Refocussing of capital programme to support economic development Partnership working through SELLEP Broadband project leading to increased coverage of superfast broadband Inward investment programme Link Road releases economic development potential in Hastings / Bexhill	Corporate	Rupert Clubb	29/08/2012

