



Brighton & Hove City Council Strategic Risk Register 2011/2012

APPENDIX 1

Risks are set out in order of Residual Risk Score (a combination of likelihood and impact)

See final page for information on risk scoring and terms used



Strategic Risk No.	Risk Title and Owner	Council Priority	Background and Risk Scenario and Potential Consequences <i>A potential or actual risk or opportunity which needs to be managed in order to better achieve the Council's objectives (including contribution to the Sustainable Community Strategy)</i>	Risk Category	Initial Likelihood (L) Score	Initial Impact (I) Score	Risk Score L x I (Dot indicates RAG rating)	Mitigating Controls and Actions currently include (but are not limited to)	Residual Likelihood (L) Score	Residual Impact (I) Score	Residual Risk Score L x I
2	<p>Financial Outlook for the Council</p> <p><i>Catherine Vaughan - Director of Finance</i></p>	ALL	<p>Background: The financial settlement for the whole of local government results in a 30% cash reduction in formula grant over the spending review period at national level. Funding reductions in local health budgets will also impact on the council's financial position.</p> <p>Risk Scenario:</p> <p>The implementation of the agreed 2011/12 budget is challenging. Robust financial planning is required to manage the impact of the budget reductions over the longer term. Ongoing collaboration with health partners is essential.</p>	Economic/ Financial	5	4	<p>20</p> <p></p> <p>RED</p>	<ul style="list-style-type: none"> ▪ Ongoing risk based approach to budget monitoring through TBM ▪ Rigorous continued implementation of the VFM programme ▪ Design of two year budget process for 2012/13 and 2013/14 ▪ Publication of new Medium Term Financial Strategy ▪ Broader consultation and engagement plan for budget setting ▪ Use of commissioning to ensure services are planned on the basis of need and deliver priority outcomes 	4	4	<p>16</p> <p></p> <p>RED</p> <p>↕</p>

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					Score	Score			Score	Score	
9	<p>Changes to Local Government Finance</p> <p><i>Catherine Vaughan - Director of Finance</i></p>	ALL	<p>Background: The government is proposing major changes to the way local government is funded, reforms to the welfare benefits system and support for council tax.</p> <p>Risk Scenario: The proposed changes are complex to understand and plan for and have significant implications for the resources available to the council and how it organises itself in the medium term.</p>	Economic/ Financial	4	4	<p>16</p> <p></p> <p>RED</p> <p>New</p>	<ul style="list-style-type: none"> Detailed responses on all major consultation documents produced Joint response on council tax benefits agreed across all Sussex authorities Ongoing lobbying on the critical issues for the city Further analysis of potential impacts and options for managing the risks 	4	4	<p>16</p> <p></p> <p>RED</p> <p>New</p>

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3	Pace and Volume of public sector change <i>Charlie Stewart - Strategic Director, Resources</i>	ALL	Background: All public services are affected by national reductions in spending and the wider reform agenda. Risk scenario: Financial constraints and significant reform affecting partner organisations, e.g. NHS, may lead organisations to reframe their budgets and ways of working and therefore affect their ability to deliver plans as envisaged. Enhanced communication and joined up planning will be needed to ensure that the impacts on the city are well managed and there is clear agreement on the role of each organisation and its responsibilities	Customer/citizen	5	4	20  RED	<ul style="list-style-type: none"> Effective prioritisation through the Sustainable Communities Strategy and the Corporate Plan recently agreed by Council The Public Service Board (PSB) continues its work on joint commissioning: <ul style="list-style-type: none"> - Needs analysis which includes review of government reforms and their impacts; - Community Engagement - Intelligent Commissioning Pilots - Better joint resourcing Ongoing work on "Total Place" PSB meet every 6 weeks to oversee the programme of work to tackle city issues, close working ensures that issues are known including those relating to financial constraints 	5	3	15  RED ↑↓

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					4	5			3	4	
1	<p>Readiness for opportunities and impacts of localism</p> <p><i>David Murray - Strategic Director, Communities</i></p>	Engaging People Who Live & Work in the City	<p>Background: The broad remit of the localism agenda provides opportunities for all councils to deliver public services in new ways with greater involvement of communities in local issues. The council's approach to the implementation of neighbourhood governance has been designed to take advantage of this and manage its risks and impacts.</p> <p>Risk scenario: If the localism agenda is not responded to, consequences could include lack of: * innovation and creativity in service redesign * community and partner support for the council's plans * skills and capacity to assess the costs and benefits of different options</p>	Professional/ Managerial/ Partnerships	4	5	<p>20</p> <p></p> <p>RED</p>	<ul style="list-style-type: none"> Neighbourhood Council Working Group oversees development of new opportunities which will be out to consultation soon City wide consultation ongoing to ensure that any plans make sense within the context of Brighton & Hove Clear link between community development commissioning and neighbourhood governance established Options for considering financial impacts of different service models being developed 	3	4	<p>12</p> <p></p> <p>AMBER</p> <p>↕</p>

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4	<p>Ability to attract new capital investment in the City under the auspices of the City Council</p> <p>Geoff Raw - Strategic Director, Place</p>	Creating a more Sustainable City	<p>Background: The council has a significant role to play in championing the City economy. It can use its own land and property portfolio to contribute to this and also use a range of policy levers for example in respect of housing, planning, leisure and tourism.</p> <p>Risk scenario: If the council does not do this effectively there is a risk the city fails to attract inward investment, its reputation is affected and it does not make optimal use of its own assets.</p>	Economic/ Financial	4	4	<p>16</p> <p></p> <p>RED</p>	<ul style="list-style-type: none"> • Agreement with Public Sector Board/Local Strategic Partnership to set up an Economic Development Commission, chaired by Strategic Director Place, to focus on three strands - Employment & Skills, Business & Enterprise, Development & Investments. • Core Strategy will take account of new legislation affecting planning, including S106 requirements, and impacts on citizens, developers and businesses • The City Council made an expression of interest to Growing Places Fund in December 2011 • The Economic Development Commission completed its report to the PSB in September 2011. From a number of recommendations, there was agreement for production of an Investment Prospectus for the city and support for an expo event. 	3	4	<p>12</p> <p></p> <p>AMBER</p> <p>↕</p>

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5	<p>City wide employability</p> <p>Geoff Raw - Strategic Director, Place</p>	Creating a more Sustainable City	<p>Background: The Council has an important role in supporting education and training providers in strengthening the labour force offer to employers & in addressing the legitimate employment aspirations of local communities.</p> <p>Risk Scenario: Failure to do this effectively could impact on the performance of the city's economy and employment resilience. There would be social and economic costs for individuals and overall costs to the public purse.</p>	Physical	4	4	<p>16</p> <p></p> <p>RED</p>	<p>The council continues to work via the Public Service Board (PSB), Local Strategic Partnership "LSP" (Economic Partnership) & the Learning & Education Partnership with education, training & employment agencies including:</p> <ul style="list-style-type: none"> - Promoting the City as a business location; - Supporting the analysis of employer skills needs information; - Informing the business planning of education, training & employment agencies; <p>Co-ordinating public sector policy & interventions which optimise opportunities particularly for dis-advantaged people.</p> <ul style="list-style-type: none"> • Engagement in Education Commission • Council support for City College in setting up a shop front on Western Road for an Apprenticeship Training Academy. Due to open in 2012. 	3	4	<p>12</p> <p></p> <p>AMBER</p> <p>↕</p>

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6	<p>Safeguarding vulnerable members of our community, including looked after children</p> <p><i>Terry Parkin - Strategic Director, People</i></p>	Tackling Inequality	<p>Background: Increased awareness of risk within the community leads could lead to an unmanageable level of referrals to social care particularly below the accepted threshold.</p> <p>Risk Scenario: If this happened it would reduce the council's ability to respond in a timely manner to the needs of the most vulnerable.</p>	Customer/ citizen	3	5	<p>15</p> <p></p> <p>RED</p>	<ul style="list-style-type: none"> Revised processes being put in place to manage work of Local Safeguarding Children Board (LSCB) to ensure it is more responsive, and that the wider system understands thresholds. Looked After Children (LAC) a clear corporate priority with regular updates to Elected Members on their Corporate responsibilities. Co-produce with partners a Child Poverty Strategy to ensure a co-ordinated approach across public, private and Community & Voluntary Sectors to reduce family poverty Continue to provide practical support to enable individuals to stay in their homes for as long as possible. This includes ensuring that new homes meet lifetime standards 	3	4	<p>12</p> <p></p> <p>AMBER</p> <p>↕</p>

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08	<p>Becoming a more sustainable city</p> <p>Geoff Raw - Strategic Director, Place</p>	Creating a more Sustainable City	<p>Background: The Council has an important civic leadership role in:</p> <p>a) Contributing to national carbon reduction objectives & targets;</p> <p>b) Take up of renewable energy & other city wide infrastructure investment opportunities;</p> <p>c) Working with others to prepare the city for severe weather and other impacts of climate change locally</p> <p>d) Promoting the City's brand, economic vitality & positive reputation</p> <p>Risk Scenario: The economy & infrastructure of the city may not achieve competitive advantage resulting in relatively higher public and commercial sector operating costs. There is a potential impact on residents and the reputation of the council and city if city partners fail to deploy resources in the best way, at the appropriate time, to deal with the effects of severe weather, climate change, the increasing costs of energy, food and materials, and continuing patterns of car use.</p>	Environmental/ Sustainability	3	4	<p>12</p> <p></p> <p>AMBER</p>	<p>The council has been working via the PSB, the LSP and the City Sustainability Partnership (CSP) to develop sustainable investment strategies for :</p> <ul style="list-style-type: none"> - enabling the planned off shore wind farm development & maximising the economic impacts; - reducing waste produced, to landfill, and increasing reuse and recycling - devising investment proposals to increase the proportion of residential & commercial buildings returning energy to the grid <ul style="list-style-type: none"> • The City Sustainable Partnership has prioritised One Planet Framework and Biosphere Reserve and presented this to BHSP in May 11 • Invested in Winter Gritters suitable for the city to mitigate the effects of heavy snow & keep highways clear • Sea Defences are reviewed against the UK Climate Impact Projections 	3	3	<p>9</p> <p></p> <p>AMBER</p> <p>↕</p>

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SLB agreed on 16 November 2011 to remove SR7 from the Strategic Risk Register due to action taken to manage this risk, e.g.:

- Open budget consultation involves citizens and stakeholders in determining council services
- Open Government licence obtained for City Council
- ICT Strategy approved in November 2011 which clearly sets out the council's approach to data management and information governance, and roles and responsibilities

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7	<p>One Council, open and transparent</p> <p><i>Charlie Stewart - Strategic Director, Resources</i></p> <p>RISK NOW REMOVED FROM STRATEGIC RISK REGISTER</p>	Engaging People Who Live & Work in the City	<p>Background: The council must ensure openness and transparency, and a corporate approach to good data management and information governance.</p> <p>Risk Scenario: Failure to do so could mean that citizens and partners do not trust the council's decision making and use of resources. This could lead to sub-optimal decision making and a lack of effective engagement with stakeholders.</p>	Customer/ Citizen	3	4	<p>12</p> <p></p> <p>AMBER</p>	<ul style="list-style-type: none"> ▪ Participation in LSP and PSB ▪ Head of ICT has been designated as the Council's Chief Information Officer ▪ The first stage of the redesign of the council's website has been undertaken ▪ The information governance arrangements and information management strategies are being revised 	3	3	<p>9</p> <p></p> <p>AMBER</p>

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Risk Scoring

The City Council uses this risk matrix to “score”, i.e. assess the likelihood and impact of the risk scenario occurring and its potential consequences if it did, and how it would affect achievement of the council’s objectives.

	MOST LIKELY IMPACT				
LIKELIHOOD	Insignificant (1)	Minor (2)	Moderate (3)	Major (4)	Catastrophic (5)
Almost Certain (5)	5	10	15	20	25
Likely (4)	4	8	12	16	20
Possible (3)	3	6	9	12	15
Unlikely (2)	2	4	6	8	10
Almost Impossible (1)	1	2	3	4	5

Terms Used

- Strategic Risk Register – a document which details the current prioritised issues which affect the achievement of the Council’s objectives, including in relation to its work with others across the city to address city priorities
- Strategic Risk No. – a unique number allocated to each strategic risk. As these risks are managed, these unique risks may be removed from the Strategic Risk Register and in that case, a gap in sequential numbering will arise
- Risk Scenario – a potential or actual risk or opportunity which needs to be managed in order to better achieve the council’s objectives
- Potential Consequences – those which may arise if the risk scenario occurs
- Initial Likelihood/Impact Scores – the initial score for the risk scenario before the current Mitigating Controls and Actions are considered
- RAG rating – a way to colour code risks to prioritise them. “RAG” derives from the initials of Red, Amber, Green although for risk management it is common to have the extra colour of Yellow
- Mitigating Controls and Actions – these are already in place and operating to reduce/mitigate the likelihood and/or impact of the risk scenario and potential consequences
- Residual Likelihood/Impact Scores – assessed after taking into account the Mitigating Controls & Actions to provide a more “realistic” prioritisation of risks compared against each other
- Risk Category – there is a standard list of risk categories which are designed to ensure a “rounded” consideration of risks from a number of different perspectives. By recording the Risk Category, it enables analysis across the risks contained in a risk register