

## Operational Risks - Introduction

### **Purpose of appendix**

The purpose of this appendix is to present the operational risks that are positioned 'above the line' of risk appetite/tolerance.

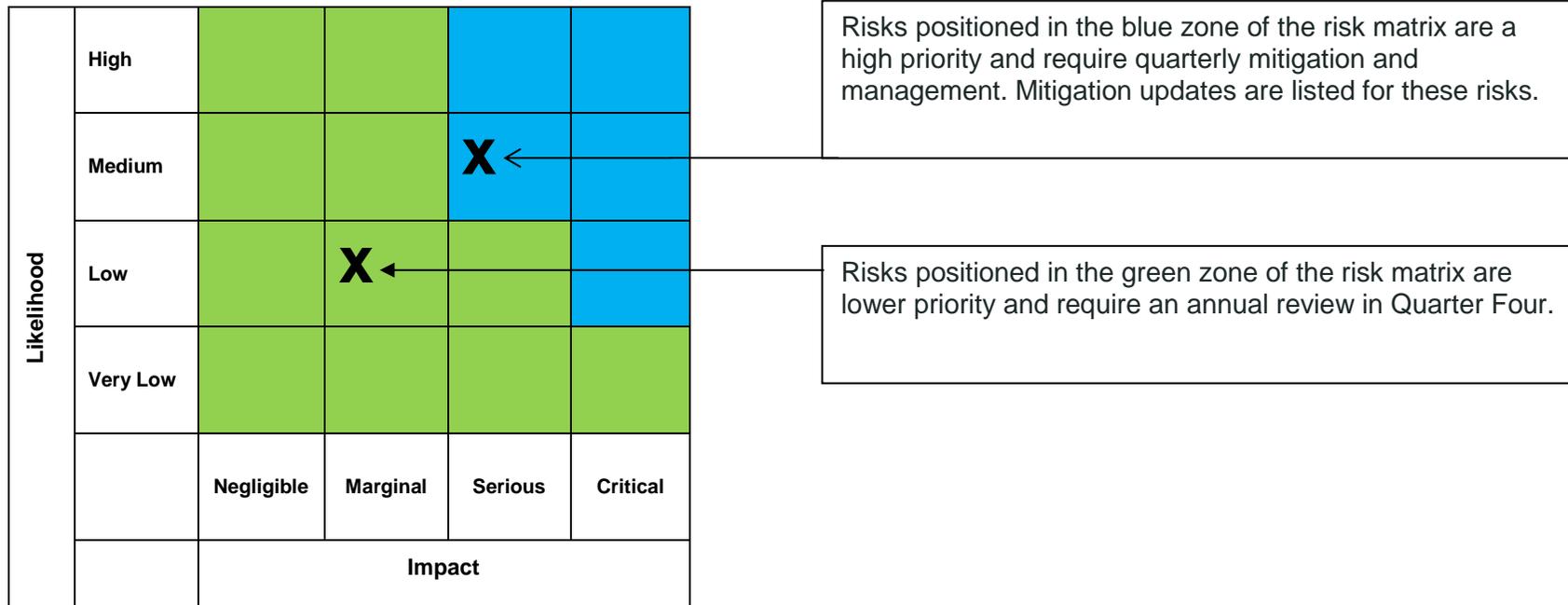
### **How to understand this report**

The next two pages explain:

- [how to understand the Risk Matrix](#)
- [how to understand the layout of each risk](#)

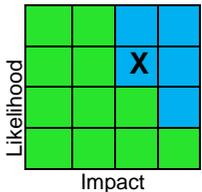
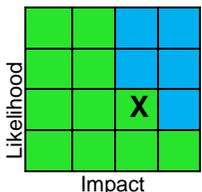
## How to understand the Risk Matrix:

Each risk is plotted on a risk matrix to show degree of likelihood and impact. The greater the likelihood and impact the higher the priority for management. Those risks which lay above the line of risk appetite (risk tolerance) can be seen in the blue zone of the matrix. These risks are a priority for management and are reviewed every quarter. Risks below the risk appetite, in the green zone, are a lower priority and so are reviewed on an annual basis.

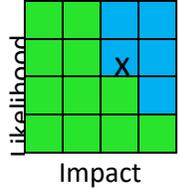
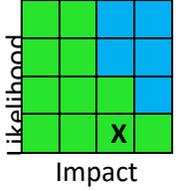


The next page shows how the information for each risk is presented.

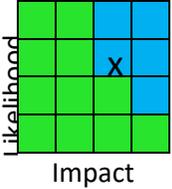
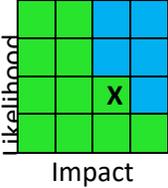
## How to understand the layout of each risk

<b>Risk name</b>	<b>Risk No. &amp; Name</b> The risk name is a concise and clear title for the risk	<b>Risk Current Position</b>	Shows the <i>current</i> position of the risk. <div style="text-align: center;">  <p>Green zone: review annually Blue zone: manage quarterly</p> </div>	<b>Review Date</b>	The date when this risk will be reviewed
<b>Description</b>	<b>Description</b> A description of the circumstances which help to generate risk.  <b>Impact</b> A description of the predicted impacts.	<b>Risk Target Position</b>	Shows the <i>desired</i> position of the risk with completed mitigations. <div style="text-align: center;">  <p>Green zone: review annually Blue zone: manage quarterly</p> </div>	<b>Target Date</b>	The date that the risk must reach the target position – through the completion of mitigations.
<b>Mitigations</b>	A mitigation is an action which is designed to reduce or eliminate the risk.			<b>Due Date</b>	
<b>History</b>	For each risk a history of risk review and improvement is shown				
<b>Risk Owner</b>	The person with sufficient authority and resources to control this risk				

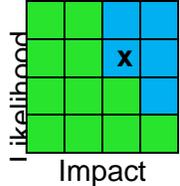
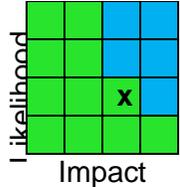
## **Operational Risks – Risks above Appetite / Tolerance**

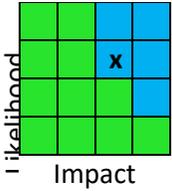
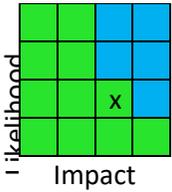
<p><b>Risk 1</b></p> <p><b>Wi-Fi Rollout – Non delivery</b></p> <p><b>Description</b></p> <p>The Council is currently trying to procure a provider of town centre Wi-Fi for the key service centres. Risk review indicates that the risk has reduced one position in terms of likelihood due to agreement with CCC who is a key partner in the project.</p> <p><b>Impact</b></p> <p>Lost opportunity to improve access to WIFI for residents and business</p>		<p><b>Current Position of Risk</b></p> <p>This risk matrix shows the current position of the risk.</p>  <p>Green zone: review annually Blue zone: manage quarterly</p> <p><b>Review Date:</b> Quarterly</p>		<p><b>Target Position of Risk</b></p> <p>This risk matrix shows the desired position of the risk following the completion of mitigations.</p>  <p>Green zone: review annually Blue zone: manage quarterly</p> <p><b>Target Date:</b> March 2020</p>	
Mitigation		Mitigation Progress	Mitigation Action Owner	Mitigation Due Date	
1. Organise joint meeting between SLDC and CCC legal teams to ensure requirement properly communicated		Complete	Operational Lead Specialist Services	Complete	
2. Raise with relevant SLDC and CCC elected members to ensure officers are aware of the importance of concluding the agreement.		Complete	Operational Lead Specialist Services	Complete	
<b>History of Risk Improvement</b>	<p>01/03/2017 – Risk Identified and entered into risk log</p> <p>13/03/2018 - Review of risk has identified an increase in likelihood of non-delivery due to legislative changes.</p> <p>13/03/2019 – Review indicates that the risk has reduced one position in terms of likelihood due to agreement with CCC who is a key partner in the project.</p>				

<b>Risk Owner</b>	Operational Lead Specialist Services	<b>Portfolio</b>	Economy and Assets
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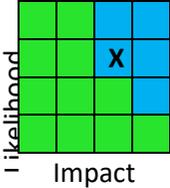
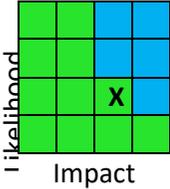
<p><b>Risk 2</b></p> <p><b>Loss of Housing Benefit subsidy</b>          Due to audit detection of assessment errors or delays, additional risk due to software system change over          There is risk because errors and delays occur in benefits processing. There is a dependency on skilled posts in place to ensure accuracy during a period of organisational change.</p> <p><b>Impact</b>          Where errors or delays exceed 0.5% the Council must meet the full costs of those errors – in terms of overpaid benefit.</p>		<p><b>Current Position of Risk</b></p> <p>This risk matrix shows the current position of the risk.</p>  <p>Green zone: review annually          Blue zone: manage quarterly</p> <p><b>Review Date:</b>          Quarterly</p>		<p><b>Target Position of Risk</b></p> <p>This risk matrix shows the desired position of the risk following the completion of mitigations.</p>  <p>Green zone: review annually          Blue zone: manage quarterly</p> <p><b>Target Date:</b>          March 2020</p>	
Mitigation	Mitigation Progress	Mitigation Action Owner	Mitigation Due Date		
Dedicated accuracy checking officer established	Mitigations in place and established	Operational Lead Support Services	In place and ongoing		
Subsidy error report is monitored monthly	As above	As above	In place and ongoing		
Accuracy testing feedback informs staff training	As above	As above	In place and ongoing		
Accuracy testing feedback identifies performance issues	As above	As above	In place and ongoing		
History of Risk Improvement	<p>For previous history please see earlier versions of this risk register.</p> <p>Update 12/03/18: Additional risk due to software system change over.</p> <p>Update 06/12/18: Risk review indicates that the risk remains in the same position.</p> <p>Update 13/03/19: Review indicates no change to this risk.</p>				

<b>Risk Owner</b>	Operational Lead Support Services	<b>Portfolio</b>	Finance Portfolio Holder
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<b>Risk name</b>	<b>Risk 3</b>  Lack of capacity in team because of pressures caused by Customer Connect	Risk current position		Next review date	March 2020
Description of risk	There is a requirement to release the Communications Team Manager to support the Customer Connect project. There is now a reduced risk that this will affect team capacity as there may be assistance from within the maturing new organisational model. However there could be extra pressures brought about by leaving the EU and potentially holding EU elections.  <b>Impact</b> Lack of capacity for responding to communications priorities. Negative public image. Missed opportunities for positive messages.	Risk target Position		Target date	March 2020
Mitigations	Monitor and review workloads on a regular basis. Interim arrangements in place.			Mitigation Due Date	Mitigation established and ongoing
History of risk improvement	For previous history please see earlier versions of this risk register. 29/03/18: review indicates similar likelihood and impact for this risk 19/03/19: review indicates that this risk has reduced one place in terms of likelihood as there is more certainty with regard to the new organisational model.				
Risk Owner	Communications Specialist				

<b>Risk name</b>	<b>Risk 4</b> Windermere lake encroachment debt recovery does not significantly reduce the amounts outstanding.	Risk Current Position		Next Review Date	Quarterly
Description of risk	Reputational risk to Legal Services. Historically there has been insufficient resource for recovery on Windermere. Numerous challenges to the current square metre methodology have been made. Debts require significant Legal, Finance and Lambert Smith Hampton work in every case.  <b>Impact</b> Unrecovered debts. Negative publicity.	Risk Target Position		Target Date	April 2020
Mitigations	<ol style="list-style-type: none"> <li>1. Regular progress reports to senior officers and members</li> <li>2. Reports to Lake Admin Committee and Audit Committee</li> <li>3. Regular 1-1 item with Assistant Director Resources</li> </ol>		Mitigation Due Date	Ongoing - all mitigations are established	
History of risk improvement	For previous history please see earlier versions of this register.  29/03/18: Reviewed. Significant improvements have been made in relation to this risk. However, it is considered prudent for the risk to remain unchanged until the impact of such improvements has been monitored.				

	14/03/19: Review indicates that debt has been reduced significantly and is now within corporate recovery rates. However the organisation is undergoing change and key legal vacancies will require maintaining - the risk position therefore remains unchanged in the short term.
Risk Owner	Lead Governance/Democracy Lead Specialist (Monitoring)

<b>Risk name</b>	<b>Risk 5</b>  Risk of not being able to deliver legal commercial property advice and deal with legal aspects of encroachments.	Risk Current Position		Next Review Date	Quarterly
Description of risk	Reputational risk to Legal Services.  <b>Impact</b> Lack of delivery of key legal services Financial and reputational impacts.	Risk Target Position		Target Date	July 2019
Mitigations	<ol style="list-style-type: none"> <li>1. Outsourcing of urgent legal commercial property matters to private practice to ensure continued delivery of effective legal service for Council.</li> <li>2. Use of locums to ensure continued delivery of effective legal service.</li> <li>3. Ensure proactive and prompt recruitment with regard to legal staff vacancies.</li> <li>4. Ensure compliance with processes and procedures in place to maintain positive communications between various stakeholders involved in such matters.</li> </ol>		Mitigation Due Date	Ongoing - all mitigations are in place.	
History of risk improvement	For previous history please see earlier versions of this register. 29/03/18: Reviewed and updated mitigations. Progress on recruitment has reduced the likelihood of any adverse impact to the Council. This risk is below risk appetite and therefore the next review will be during Quarter 4 2018/19. 18/03/19: Review indicates that there is a risk of insufficient staff resources during the current organisational change – risk has been increased one position in terms of current likelihood. Mitigations 2 and 3 added above.				
Risk Owner	Lead Governance/Democracy Lead Specialist (Monitoring)				