

SOUTH STAFFORDSHIRE COUNCIL

AUDIT AND RISK COMMITTEE – 6 FEBRUARY 2024

RISK MANAGEMENT UPDATE

REPORT OF THE DIRECTOR OF FINANCE AND SECTION 151 OFFICER

PART A – SUMMARY REPORT

1. SUMMARY OF PROPOSALS

- 1.1 This report provides an update on the Council's strategic risks as at quarter 2 (end of September 2023).

2. SUMMARY IMPACT ASSESSMENT

POLICY/COMMUNITY IMPACT	Do these proposals contribute to specific Council Plan objectives?	
	Yes	Effective risk management is about identifying and mitigating the risks that could prevent the Council achieving its strategic objectives.
	Has an Equality Impact Assessment (EqIA) been completed?	
	No	This report does not impact upon equality issues.
SCRUTINY POWERS APPLICABLE	No	
KEY DECISION	No	
TARGET COMPLETION/ DELIVERY DATE	April 2024	
FINANCIAL IMPACT	Yes	Effective risk management is linked to effective financial and performance management.
LEGAL ISSUES	Yes	The Council is required to have effective risk management arrangements.
OTHER IMPACTS, RISKS & OPPORTUNITIES	None	This report includes all strategic risks.
IMPACT ON SPECIFIC WARDS	No	All wards are impacted.

PART B – ADDITIONAL INFORMATION

3. INFORMATION

- 3.1 The Council's strategic risks have been previously identified as:

- Failure to sustain a robust ongoing medium-term financial strategy with adequate reserves to meet unforeseen consequences.
- Failure to develop and keep maintained robust business continuity processes.
- Not delivering waste and recycling services to the required standard.
- Impact of the cost of living pressures.
- Lack of appropriately skilled, experienced and trained staff along with the right culture and organisational conditions.
- Lack of an up-to-date Local Plan.

- 3.2 The Council's updated strategic risk register is set out in Appendix 1. The majority of the risks are rated amber and are being actively managed to ensure that the scores do not increase. All of these risks have remained stable between quarter 1 and quarter 2 with the exception of the Local Plan risk. This has increased from 12 to 16 due to the continued absence of the NPPF which has meant that the Council has not been able to progress with the Local Plan. However, since the quarter 2 Risk Register was updated, the NPPF has now been published and the team are working through this to ensure the most appropriate and quickest way to develop a plan.
- 3.3 The only red risk relates to the delivery of the waste contract. The score for this has remained at 20 between quarter 1 and quarter 2. The main contributing factors to this risk are the implementation of the Environment Act 2021 and Environmental Improvement Plan 2023. The Council's waste collection and disposal contracts will also need to be re procured in advance of April 2026. These two elements are interlinked and, without full clarity on what is required through Simpler Recycling, impact on the Council's ability to provide the required service standard and to budget for future costs. As further guidance has been received from the government, this risk is expected to reduce when the quarter 3 Risk Register is produced.
- 3.4 A number of actions are in place which are aimed at reducing the risk. These include continued engagement with the existing contractor, a Communication Plan to engage with residents and soft market testing from March 2025 to assess the likely impact of re-procuring the contract.
- 3.5 The Council will be reviewing and updating the Strategic Risk Register and supporting processes when the new Council Plan is introduced to ensure that both are aligned.

4. IMPACT ASSESSMENT – ADDITIONAL INFORMATION

- 4.1 None identified.

5. PREVIOUS MINUTES

- 5.1 Not applicable.

6. BACKGROUND PAPERS

- 6.1 Not applicable

7. APPENDICES

- 7.1 Risk Management Update – Appendix 1 – Strategic Risk Register Update Q2

8. RECOMMENDATIONS

- 2.1 It is recommended that Members review the Council's Strategic Risk Register.