

## BABERGH AND MID SUFFOLK DISTRICT COUNCILS

<b>From: Head of Corporate Organisation</b>	<b>Report Number: M140</b>
<b>To: Overview and Scrutiny (Stewardship) Committee</b>	<b>Date of meeting: 22 January 2013</b>

### SIGNIFICANT BUSINESS RISKS POSITION STATEMENT

#### 1. Purpose of Report

- 1.1 The report details key progress/movement of Babergh's Significant Business Risks and those shared with Mid Suffolk for the period up to 12 December 2012.

#### 2. Recommendation

- 2.1 Members are asked to endorse the contents of the Integrated Significant Business Risk Register and actions being taken relating to Babergh specific and shared risks with Mid Suffolk.

The Committee is able to resolve this matter.

#### 3. Financial Implications

- 3.1 As detailed in the report.

#### 4. Risk Management

- 4.1 This report is linked to all Strategic Business Risks. Refer to the weblink at section 9.1.

#### 5. Consultations

- 5.1 None – other than data gathering from senior management.

#### 6. Equality Analysis

- 6.1 There are no equality and diversity implications associated with this report.

#### 7. Shared Service / Partnership Implications

- 7.1 As the integration of the two Councils and transformation of services continues, the risk management process ensures that risks are captured, managed and reported to Management and Members of both Councils.

#### 8. Key Information

- 8.1 The Significant Business Risk Register is the tool used to identify, assess, manage and review all pertinent risks to the Councils. This report details risks as at 12 December 2012 and key progress/movement of risks since April 2012.
- 8.2 The Integrated Significant Business Risk Register has amalgamated the three original risk registers that were in existence for Babergh, Mid Suffolk and BMI and all risks are now managed on this single register.

8.3 Since April 2012, 5 risks/tasks have been removed from the risk register as a result of good risk management. Notably:

8.3.1 *Failure to implement the Shared Revenues Partnership (SRP) in accordance with agreed business plan could result in the loss of future savings (Risk reference O8)*  
The Shared Revenues Partnership has now been fully implemented and the final outturn report showed a favourable variance.

8.3.2 *Failure to have adequate procurement expertise leads to officers having lack of support, resulting in non-compliance with policy and the potential for poor value for money or inappropriate contracts being ventured into (Risk reference O10)*  
The Corporate Manager – Commissioning, is now in post and the action plan has now been completed.

8.4 9 new risks/tasks were identified and added to the register. Notably:

8.4.1 *Lost opportunity for investment in the Regeneration of Sudbury (Risk reference PL1)* was added during quarter one with a task to *work with the developer and investors to achieve investment in the regeneration of Hamilton Street. NB, BDC have taken the role of coordinating a development proposal for Hamilton Road area which will benefit the economic vitality of Sudbury and prevent a derelict site having a negative impact on the town. This is a complicated site with 4 different owners. Suffolk County Council investment in the bus station is dependent on a comprehensive scheme going forward.*

The update as at 12 December 2012: *An offer by Members to purchase Navigation House, Hamilton Road has been accepted which will assist with the way forward in developing the site. (Currently green status)*

8.4.2 *Failure to plan early and identify options to meet the medium term (3 year) and 2013-14 budget gap of both councils to minimise or avoid reductions in service provision (Risk reference O13)* was added during quarter one with a task of *conducting early and rigorous discussions to agree how savings and additional income are to be achieved for the next 3 years and the draft budget proposals for 2013-14.*

The update as at 12 December 2012: *Reports went to MB in late November and mid December 2012 along with updates to PLG, Portfolio Holders and SFP Task Group (Babergh). Transformation and ODT proposals feed into this along with Government funding announcements in mid December. (Currently amber status)*

8.4.3 Suffolk Wildlife Trust have notified the Council that the current arrangements under which they provide biodiversity advice in response to consultation on planning applications will end in January 2013 after which they will only provide advice in more limited circumstances. Set against a background of increased statutory responsibility and increased interest / objections from third parties, including ecologists, in biodiversity aspects of planning applications, such a gap in specialist advice would leave both councils open to potential litigation and/or complaint cases where appropriate advice is not taken before decisions are made. These would have foreseeable financial consequences for the Councils. A short term risk has been added to the Significant Business Risk Register with a task to identify an alternative source of advice.

## 8.5 Issues to note

- 8.5.1 A number of tasks have slipped to Amber status and one to Red status – this relates to Risk reference O11 where issues remain outstanding from a data management and freedom of information audit. A further data management audit has recently been undertaken which included coverage of issues raised in the original report. New recommendations and implementation dates have now been agreed with the newly appointed Corporate Manager – Information Management and IT.
- 8.5.2 The majority of the tasks at amber status are as a result of the current restructuring and implications of appointing to Tier 4 posts in addition to the creation of new Operational Delivery Teams. In these instances, target dates have been extended until the process has been completed and resources can be directed towards progressing these tasks. In the short term, it is considered that the risks to each Council will not be adversely effected as a result of extending these target dates.

## 8.6 Other risk work

- 8.6.1 An in-house risk workshop was held on 17 December 2012, specifically in relation to the Planning Transformation Project. The workshop was attended by Members and officers from MSDC and BDC. The outcome of the workshop was the identification of key risks to the achievement of the project objectives and relevant mitigating actions with owners and target dates in the form of a Project Risk Register. These risks will now be managed and monitored by the Member Planning Transformation Project Steering Group. Any specific strategic risks arising will be uplifted to be included within the strategic risk monitoring and reporting cycle.

## 9. **Background Documents**

- 9.1 [BDC weblink to Integrated Business Risk Register](#)

### Authorship:

Jill Pearmain  
Performance & Audit Services Officer

01449 724573  
jill.pearmain@midsuffolk.gov.uk

Claire Crascall  
Performance & Audit Services Officer

01449 724570  
claire.crascall@midsuffolk.gov.uk