

Growth and Regeneration Scrutiny Commission

29th November 2018



Report of: Executive Director, Growth and Regeneration

Title: Growth and Regeneration Directorate Risk Register Update

Ward: Citywide

Officer Presenting Report: Colin Molton – Executive Director, Growth and Regeneration

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Recommendation

The Growth and Regeneration Scrutiny Commission are asked to consider the biannual review of the Growth and Regeneration Directorate Risk Register and comment on any areas of interest.

Summary

The risks defined in this report are captured by service sections within the Growth and Regeneration directorate.

The following represent the most significant risk for Growth and Regeneration as at September 2018:

- 1) Long term commercial investments and major projects capital investment – DRR1
- 2) Bristol City Council (BCC) Infrastructure Delivery – DRR2
- 3) Failure to deliver 2000 homes per annum by 2020 – DRR3
- 4) The supply of affordable housing not sufficient to meet community needs – DRR4
- 5) Flooding – BCCC1



1. Policy

- 1.1. The Audit Committee is responsible for providing independent assurance to the Council regarding the effectiveness of its strategic risk management arrangements. The Council has a Risk Management Policy which requires strategic risks to the Council, and details of how they are managed, to be recorded in the form of the Corporate Risk Register Report and Directorate Risk Registers (strategic risk registers).
- 1.2. Whilst the Corporate Risk Register Report is scrutinised by the Audit Committee on a six monthly basis, it was agreed at Overview and Scrutiny Management Board, that the Directorate Risk Registers will be scrutinised by each Directorate scrutiny twice a year. They will however also be provided once each year to Audit Committee, for information (not scrutiny) to provide the Audit Committee with assurance that Directorate Risk registers in place and effectively scrutinised.

2. Risk Management and the Corporate Risk Register (CRR)

- 1.3. As part of good governance, the Council manages and maintains a register of its significant risks assigning named individuals as responsible officers for ensuring the risks and their treatment measures are monitored and effectively managed.
- 1.4. The Corporate Risk Register (CRR) is a critical tool for capturing and reporting on risk activity, the organisations risk profile and an integral element of the Council's internal governance and performance frameworks. The risk register is a working document and the data within the register is used to inform the business of the threats and opportunities it faces in delivering outcomes and services to the Council. It is used to ensure the organization operates effectively and Leadership Teams take assurance that all necessary steps are being taken to ensure the risks are managed to a level acceptable to them. The Corporate Risk Register was last reported to Cabinet on 2nd October 2018 and the Audit Committee on 26th July 2018.

3. Consultation

- a. **Internal** - First to fourth tier managers, Leadership Team, Corporate Leadership Team, Cabinet Member, Finance, Governance and Performance.
- b. **External** - None

4. The Growth and Regeneration Risk Register (G&RDRR)

- 4.1. The G&RDRR informs the council on significant risks to the achievement of the growth and Regeneration Objectives to ensure it is anticipating and managing key risks to optimise the achievement of the council's objectives and prioritise actions for managing those risks. The G&RDRR provides assurance to management and Members that the significant risks have been identified and arrangements are in place to manage those risks within the tolerance levels agreed.
- 4.2. The G&RDRR is an important tool in managing risk. It aims to provide an overview of the significant risks facing the Growth and Regeneration Directorate and how they are being managed. The G&RDRR attached to this report at Appendix A is the latest formal iteration following a review by members of the Growth and Regeneration EDM in July 2018 and the council's Corporate Leadership Board (CLB) in August 2018. The risk review has included

managers from across the Council.

- 4.3. The G&RDRR was reviewed by the Growth and Regeneration EDM in July 2018. The directorate reports biannually to Members, ensuring that they are aware of the significant critical and high level risks facing the directorate and how the council are ensuring these risks are effectively managed.
- 4.4. As strategic planning, resource management and resilience processes are strengthened; the identification, management and communication of risk to the achievement of the Council’s strategic priorities and objectives will continue to embed.
- 4.5. The G&RDRR was developed following:
- Risk identification and assignment of a risk owner who is responsible to ensure each risk is effectively managed; current mitigations and further actions to ensure the risk is identified and interventions planned,
 - Review by EDM to ensure risk levels are correctly identified; and target risk levels where stated are acceptable.
- 4.6. The Growth and Regeneration Risk Register is attached at Appendix 1. The register is presented in the standard format agreed by CLB and uses the risk management methodology in the risk management policy agreed by Cabinet in January 2018.
- 4.7. Appendix 1 pages 14 and 15 will assist Members in understanding risk levels recorded in the register. The risk matrix, guidance parameters used to measure impact and Guidance parameters used to measure likelihood and the supporting scoring criteria.
- 4.8. The G&RDRR sets out the significant critical and high rated risks. All other business risks reside on the Growth and Regeneration Service Risk Registers (G&RSRR). The Growth and Regeneration Risk Register (G&RDRR) as Sept 2018 contains: No Critical risks, 3 high risks, 2 medium risks of which 2 are new risks and 3 stayed the same in quarter 1. A summary of the progress of risk for this reporting period is set out below.
- 4.9. The following paragraphs summarise the key changes to the Corporate Risk Register for Growth and Regeneration since its last presentation:

Risks that have stayed the same

- 1) DRR1: Long term commercial investments and major projects capital investment
- 2) DRR2: Bristol City Council (BCC) Infrastructure Delivery
- 3) BCCC1: Flooding

New risk

- 4) DRR3: Failure to deliver 2000 homes per annum by 2020

The risk of failing to deliver the range of housing to meet Bristol’s needs and not realise the ambition to deliver 2000 homes per annum by 2020.

- 5) DRR4: The supply of affordable housing not sufficient to meet community needs

Strategies and delivery models designed to further stimulate growth in the housing market and deliver diversity of the housing offer across the city prove to be ineffective and do not attract and retain economically active residents.

All identified risks were reviewed in light of the revised scoring and set the performance for future reviews. All risks on the G&RDRR have management actions in place. The G&RDRR is currently subject to a refresh during 2018.

As with all risks, it is not possible to eliminate the potential of failure entirely without significant financial and social costs. The challenge is to make every reasonable effort to mitigate and manage risks effectively, and where failure occurs, to learn and improve.

Further details are contained in Appendix A: The summary of the risks are set out on pages 1 to 7 including controls and management actions, a summary of risk performance on page 8 and 9, the risk matrix on page 10 and the risk scoring criteria on page 11.

5. Public Sector Equality Duties

- 5a) Before making a decision, section 149 Equality Act 2010 requires that each decision-maker considers the need to promote equality for persons with the following “protected characteristics”: age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation. Each decision-maker must, therefore, have due regard to the need to:
- i) Eliminate discrimination, harassment, victimisation and any other conduct prohibited under the Equality Act 2010.
 - ii) Advance equality of opportunity between persons who share a relevant protected characteristic and those who do not share it. This involves having due regard, in particular, to the need to --
 - remove or minimise disadvantage suffered by persons who share a relevant protected characteristic;
 - take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of people who do not share it (in relation to disabled people, this includes, in particular, steps to take account of disabled persons' disabilities);
 - encourage persons who share a protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.
 - iii) Foster good relations between persons who share a relevant protected characteristic and those who do not share it. This involves having due regard, in particular, to the need to –
 - tackle prejudice; and
 - promote understanding.
- 5b) No equalities assessment necessary for this report.

Appendices:

Appendix A – Growth and Regeneration Risk Register - The summary of the risks are set out on pages 1 to 7 including controls and management actions, a summary of risk performance on page 8 and 9, the risk matrix on page 10 and the risk scoring criteria on page 11.

LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

Background Papers:

Risk Management Policy

Growth and Regeneration Risk Register as at Sept 2018 - Risks to the achievement of Bristol City Councils Objectives									
Risk title and description	What we have done	Performance	Current Risk Level			What we are doing	Tolerance Risk Level		
			Likelihood	Impact	Risk Rating		Likelihood	Impact	Risk Rating
<p>DRR1: Long term commercial investments and major projects capital investments</p> <p>BCC'S long term commercial investments and major projects may require greater than anticipated capital investment.</p> <p>Key potential causes are:</p> <ol style="list-style-type: none"> 1.The cost is higher than expected. 2.The project is delivered later than planned. 3. The operating and maintenance costs of the asset exceed expectations. 4. The demand for the asset is less than predicted driving down income. 5. Strategic, geographic, social, financial and economic conditions changing over time. 6. Oversight of Project Interdependencies not well managed. 	<p>We have reviewed Capital Governance arrangements and have established the Growth and Regeneration Board in order to improve capital programme governance and accountability arrangements. The Board is overseen by the Delivery Executive to make improvements to capital project business cases, taking account of whole life costing principles and improving capital monitoring arrangements.</p> <p>We are understanding, monitoring and reporting the cost-determining factors, and seeking relevant professional advice to ensure Value for Money (VfM) by undertaking due diligence which covers the economic, financial, social and environmental case. This is ongoing.</p> <p>Governance arrangements are in place for the council as a Company Shareholder.</p> <p>The Growth and Regeneration Directorate is responsible for delivery of major infrastructure projects. Some of the key projects include:</p> <p>Harbour Strategy</p> <ol style="list-style-type: none"> 1. We are looking to secure capital funding to commence in 2018/19 through a robust capital business case to make commercial improvements across areas such as new pontoons, and boaters facilities both of which will generate income and make the area more attractive economically. 2. We have completed a commercial benchmarking exercise in terms of charges and commercial offering using similar marina sites across the UK. 3. We are constructing a plan around our commercial offering, fees & charges, leases etc. to ensure we are maximising income that can be used to invest in the area. 4. Carrying out condition surveys to assist with the development of a robust maintenance schedule. <p>Temple Quarter</p> <ol style="list-style-type: none"> 1. For all contracts we will ensure that robust contingencies are built into the project costs, and secure consultant's advice relating to appropriate risk allocation and reward, and other contractual arrangements. <p>Colston Hall</p> <ol style="list-style-type: none"> 2. Consultants were engaged last year to undertake an options appraisal to verify the project in its current format i.e. the scope of the works and ensuring that the correct option has been chosen to make the hall financially sustainable. Cabinet has approved the underwriting of the project to a maximum of £48.8m. The project is 	↔	3	7	21	<p>Development of capital strategy.</p> <p>Improvements to capital programme governance and accountability arrangements through Housing, Property and Growth & Regen Boards, with tracking and delivery overseen by Delivery Executive.</p> <p>The Executive Director for Growth and Regeneration has instigated a series of ongoing 'Deep Dives' with a focus on key programmes and project deliverables feedback being reviewed by the Growth and Regeneration Board.</p> <p>The Growth and Regeneration Board meets monthly to continue to improve project, programme and portfolio risk management to ensure robust arrangements are in place and challenge against deliverables. We will maintain a balanced portfolio of investment assets so that exposure to particular classes of risk can be minimised.</p> <p>Arena: We have commissioned consultants to carry out VfM studies for the Arena at Temple Meads plus an alternative scheme at Filton.</p> <p>Harbour Strategy: We are working with colleagues across the Growth & Regeneration and Communities Directorates to ensure we have a joined up approach to delivering a new Harbour Strategy. This falls in to three main work streams Assets, Design and Harbour/Marina activity. Whilst these 3 pieces of work are in differing project stages, an umbrella group to act as a steering and governance forum is being established.</p> <p>Harbour Strategy: A robust asset management planning framework we are carrying out condition surveys on the docks walls to produce a future maintenance schedule as part of the BCC Asset Management Plan.</p> <p>Colston Hall: We have engaged a consultant under a Pre-Construction Services Agreement (PCSA). We have set up a 10 point plan to address any issues by September 2018 to enable us to meet budget constraints. To assist in the process we have engaged the help of the Southern Construction Framework (SCF) administrator.</p>	1	1	7

	progressed through the Southern Construction Framework (administered by Devon County Council).						
Risk Owner: Executive Director Growth and Regeneration, Colin Molton Section 151 Officer, Director Finance, Denise Murray	Action Owner: Acting Director Finance, Executive Director for Growth and Regeneration,	Portfolio Flag: Finance, Governance and Performance			Strategy Theme: Our Organisation, Empowering and Caring, Fair and Inclusive, Well Connected, Wellbeing		

Growth and Regeneration Risk Register as at Sept 2018 - Risks to the achievement of Bristol City Councils Objectives									
Risk title and description	What we have done	Performance	Current Risk Level			What we are doing	Tolerance Risk Level		
			Likelihood	Impact	Risk Rating		Likelihood	Impact	Risk Rating
<p>DRR2: Bristol City Council (BCC) Infrastructure Delivery</p> <p>If the council fails to prioritise infrastructure investment and resources, has inconsistent policies and has limited bargaining power regionally or with central government; there is a risk that inward investment will be reduced, making it difficult for the council to deliver its strategic priorities, ensure assets are fit for purpose in meeting current and future demand and support the servicing and development of the local area.</p> <p>Key potential causes are:</p> <ol style="list-style-type: none"> 1. No clear strategic direction and objectives set for the Property estate. 2. Services and resources (human and financial) are not fully aligned and/ or controlled to deliver the objectives. 3. Failure to deliver the level of anticipated Capital Receipts. 4. Leadership capacity, engagement and capability are insufficient to drive change and transformation within the council. 5. Resources are poorly managed, short term approach being adopted or are not contributing fully to council priorities; resulting in agreed outcomes and objectives not being fully achieved. 6. Ineffective collection, integrity and use of data and information. 	<ol style="list-style-type: none"> 1. Governance arrangements have been established through the Growth and Regeneration (G&R) Board and the Strategic Property Group both launched in Q4. 2017/18 to enable the integration of thinking about property with financial, regeneration and other considerations and enhance reporting of asset disposal plans and progress. 2. The G&RB have identified a number of areas of growth and regeneration (AGR) across the City during Q4. 2017/18 to enable place shaping including contributing to regeneration activity, affordable housing, community building and the financial sustainability of the Council. 3. Prioritisation of AGR is underway by the G&R Board. 4. The Strategic Property Group (SPG) was established in January 2018 and meets on a monthly basis. The SPG identified the need for an Operational Property Group in March 2018. 	↔	2	7	14	<ol style="list-style-type: none"> 1. The Operational Property Group (OPG) as a sub-group to the Strategic Property Group (SPG) was launched in September 2018 to unlock the value of assets, seek efficiencies through joint arrangements with public sector partners and maximise private sector investment. Actions are now being progressed through the work of the SPG and (from April/May 2018) through OPG which will adopt a Corporate Landlord role to ensure the ownership of an asset and the responsibility for its management; maintenance and funding are transferred to a centralised corporate crosscutting group. 2. Recruitment of specialist Asset Management Plan resource agreed in April 2018. 3. Develop strategies and Implementation plans that ensure the property portfolio remains a major asset in supporting the achievement of corporate aims and objectives will be well advanced by end March 2019. 4. Development and implementation of a Property Asset Management Strategy - DWG decision (04/04/2018) to recruit specialist Asset Management Plan (AMP) resource to develop the outline business case by July/August 2018 and to inject pace into the production of the AMP the current estimated timescale for completion of the AMP by end March 2019. 5. We are proactively supporting the development of a local development strategy to appropriately reflect Bristol's Infrastructure needs. 6. Recruitment of sufficient resources, to ensure the capacity and skills required are available to enable the objectives from the estate to be delivered. 	1	1	7

<p>7. Infrastructure condition substandard and overall asset base is not being used or managed efficiently or effectively.</p> <p>8. Lack of joined up planning, decision making and effective project management.</p> <p>9. Ineffective collection, integrity and use of data and information.</p> <p>10. Reduced public sector funding impacting on the resources available.</p>							
<p>Risk Owner: Executive Director Growth and Regeneration, Colin Molton Section 151 Officer, Director Finance, Denise Murray</p>	<p>Action Owner: Director Commercialisation, Gemma Dando and Service Manager, Facilities Management, Adrian Randall, Director City Growth, Investment and Infrastructure including Culture, Nuala Gallagher,</p>	<p>Portfolio Flag: Finance, Governance and Performance</p>		<p>Strategy Theme: Our Organisation, Empowering and Caring, Fair and Inclusive, Well Connected, Wellbeing</p>			

Growth and Regeneration Risk Register as at Sept 2018 - Risks to the achievement of Bristol City Councils Objectives									
Risk title and description	What we have done	Performance	Current Risk Level			What we are doing	Tolerance Risk Level		
			Likelihood	Impact	Risk Rating		Likelihood	Impact	Risk Rating
<p>DRR3: Failure to deliver 2000 Homes per annum by 2020.</p> <p>Risk of failing to deliver the range of housing to meet Bristol's and not realise the ambition to deliver 2000 homes per annum by 2020.</p> <p>Key potential causes are:</p> <ol style="list-style-type: none"> 1. DC Committee not taking strategic decisions 2. Silo Working – actions not aligning across teams. 3. Weight given to local objections. 4. Lack of capacity. 5. Competing priorities and pressures. 6. Joint Spatial Framework inadequate. 7. Procurement barriers - frameworks (lack of). 8. Resource availability, engagement and response times from other internal BCC services. 9. Increased costs and labour issues arising post Brexit. 10. Lack of available data about completed homes. 	<ol style="list-style-type: none"> 1. Secured planning permissions. 2. Secured additional grant funding for infrastructure. 3. Releasing land. 4. Issuing grants to Registered Providers (RPs). 	New	2	5	10	<ol style="list-style-type: none"> 1. Addressing all areas of provision including: Community Led Housing (CLH), Registered Providers (RPs) and Direct Delivery,(New Council Homes) etc. 2. Considering setting up new procurement framework for contractors and consultants. 3. Significant land release programme to Registered Providers. 4. Issue busting exercise across the Housing Delivery Programme. 5. Service Review of Housing Delivery Service. 	1	5	5
<p>Risk Owner: Executive Director Growth and Regeneration, Colin Molton Section 151 Officer, Director Finance, Denise Murray</p>	<p>Action Owner: Director City Growth, Investment and Infrastructure including Culture, Nuala Gallagher</p>	Portfolio Flag: Housing			Strategy Theme: Fair and Inclusive				

Growth and Regeneration Risk Register as at Sept 2018 - Risks to the achievement of Bristol City Councils Objectives									
Risk title and description	What we have done	Performance	Current Risk Level			What we are doing	Tolerance Risk Level		
			Likelihood	Impact	Risk Rating		Likelihood	Impact	Risk Rating
<p>DRR4: The supply of affordable housing not sufficient to meet community needs.</p> <p>Strategies and delivery models designed to further stimulate growth in the housing market and deliver diversity of the housing offer across the city prove to be ineffective and do not attract and retain economically active residents.</p> <p>Key potential causes are: Significant subsidy is required to deliver affordable homes.</p>	<p>Developed an Affordable Housing Grant Funding programme to support and enable the delivery of affordable homes to meet local need.</p>	New	2	5	10	<p>1. Deliver Annual Grant Funding Programme 2. Dispose of Council Land with an obligation to deliver a minimum of policy compliant 30% affordable housing 3. Work with Registered Providers to secure additional investment from Homes England to support the delivery of affordable housing to meet local need</p>	1	5	5
<p>Risk Owner: Director City Growth, Investment and Infrastructure including Culture, Nuala Gallagher</p>	<p>Action Owner: Head of Housing Delivery – Abigail Stratford</p>	Portfolio Flag: Housing			Strategy Theme: Fair and Inclusive				

Key External Risk and Civil Contingency Risks to note - Flooding

Growth and Regeneration Risk Register as at Sept 2018									
Risk title and description	What we have done	Performance	Current Risk Level			What we are doing	Tolerance Risk Level		
			Likelihood	Impact	Risk Rating		Likelihood	Impact	Risk Rating
<p>BCCC1: Flooding.</p> <p>There could be a risk of damage to properties and infrastructure as well as risk to public safety from flooding which may be caused by a tidal surge, heavy rainfall and river and groundwater flood events.</p> <p>Key potential causes are:</p> <ul style="list-style-type: none"> • Tidal surge, heavy rainfall, river and groundwater flood events. • Impact of climate change. • Lack of effective flood defences and preparedness for major incidents. 	<p>The Avon and Somerset Local Resilience Forum (LRF) is a partnership of all the organisations needed to prepare for an emergency in the LRF area. It includes the emergency services, health services, Maritime and Coastal Agency, Environment Agency, volunteer agencies, utility companies, transport providers and the five councils of Bath and North East Somerset, Bristol, North Somerset, Somerset and South Gloucestershire.</p> <p>Bristol is working with the Avon and Somerset LRF to construct new sea defences around North Somerset, Bristol and South Gloucestershire, working with emergency services, local authorities and other agencies to develop flood response plans and procedures, investigating instances of flooding, training specialist staff in swift water rescue techniques, communicating with housing and business developers to incorporate flood protection into new developments, providing guidance to members of the public about flooding, including flood warnings and what people can do to help themselves, regular maintenance and clearing programs of gullies and culverts, especially in the event of storm warnings.</p> <p>Bristol has in place a local Flood Risk Management Strategy approved at Cabinet in December 2017 which comprises of 5 keys areas and 43 separate actions in line with Environment Agency's national strategy.</p>	↔	3	5	15	<p>There is sustained resourcing and delivery of all actions in LFRMS over life of strategy. Strategy includes the following key projects:</p> <ul style="list-style-type: none"> • Working in partnership with the Environment Agency to develop a Bristol Tidal Flood Risk Management Strategy to protect the city centre, including climate change. <p>Working in partnership with South Gloucester and the Environment Agency to deliver a flood scheme to help protect Avonmouth Village and the Enterprise Area from tidal flooding, including climate change.</p>	3	3	9
Risk Owner: Interim Executive Director Growth and Regeneration	Action Owner: Director Transport, Flood Risk Engineer, Strategic City Transport	Portfolio Flag: Energy, Waste and Regulatory Services	Strategy Theme: Our Organisation, Empowering and Caring, Fair and Inclusive, Well Connected, Wellbeing						

Corporate Risk Performance Summary for 'Significant Risks' and 'Event' Risks				Quarter 4 January – March 17/18		Quarter 1 April - June 18/19		Quarter 2 July - September 18/19		Quarter 3 October - December 18/19		Quarter 4 January - March 18/19	
Appendix Page	Risk ID	Risk	Risk Owner	Rating	Travel	Rating	Travel	Rating	Travel	Rating	Travel	Rating	Travel
Growth and Regeneration													
1 & 2	DRR1	Long Term Commercial Investments	Interim Executive Director Growth and Regeneration, Executive Director Resources and Section 151 Officer	4x7=28	↔	3x7=21	↑	3x7=21	↔				
3 & 4	DRR2	BCC Infrastructure Delivery	Director of Finance (Section 151 Officer) and Interim Executive Director Growth and Regeneration	2x7=14	↔	2x7=14	↔	2x7=14	↔				
5	DRR3	Failure to deliver 2000 Homes per annum by 2020.	Interim Executive Director Growth and Regeneration					2x5=10	New				
6	DRR4	The supply of affordable housing not sufficient to meet community needs.	Director City Growth, Investment and Infrastructure including Culture, Nuala Gallagher					2x5=10	New				

Growth and Regeneration Directorate Risk Performance Summary for External and Civil Contingency risks

The risks are set out by the highest risk rating first in the Q2 18/19 column.

				Quarter 4 January – March 17/18		Quarter 1 April - June 18/19		Quarter 2 July - September 18/19		Quarter 3 October - December 18/19		Quarter 4 January - March 18/19	
Appendix Page	Risk ID	Risk	Risk Owner	Rating	Travel	Rating	Travel	Rating	Travel	Rating	Travel	Rating	Travel
7	BCCC1	Flooding	Interim Executive Director Growth and Regeneration			3x5=15	↔	3x5=15	↔				

Risk Matrix

Likelihood	4	4	12	20	28
	3	3	9	15	21
	2	2	6	10	14
	1	1	3	5	7
		1	3	5	7
	Impact				

Level of risk	Action required by level risk	
28	Critical:	Action required. Escalate (if a Directorate level risk, escalate to the Corporate Risk Register. Escalate corporate risks to the attention of the Cabinet Lead to confirm action to be taken).
14 - 21	High:	Must be addressed. If Directorate level consider escalating to the Corporate Risk Register. If a corporate risk consider escalating to the Cabinet Lead.
5 - 12	Medium:	Action required, manage and monitor at the Directorate level.
1 - 4	Low:	May not need any further action / monitor at the service level.

Current and Tolerance risk ratings:

The 'Current' risk rating refers to the current level of risk taking into account any management actions, controls and fall back plans already in place.

The 'Tolerance' rating represents what is deemed to be a realistic level of risk to be achieved once additional actions have been put in place. On some occasions the aim will be to contain the level of the risk at the current level.

LIKELIHOOD AND IMPACT RISK RATING SCORING

Likelihood Guidance

Likelihood	Likelihood Ratings 1 to 4			
	1	2	3	4
Description	Might happen on rare occasions.	Will possibly happen, possibly on several occasions.	Will probably happen, possibly at regular intervals.	Likely to happen, possibly frequently.
Numerical Likelihood	Less than 10%	Less than 50%	50% or more	75% or more

Severity of Impact Guidance (Risk to be assessed against all of the Categories, and the highest score used in the matrix).

Impact Category	Impact Levels 1 to 7			
	1	3	5	7
Service provision	Very limited effect (positive or negative) on service provision. Impact can be managed within normal working arrangements.	Noticeable and significant effect (positive or negative) on service provision. Effect may require some additional resource, but manageable in a reasonable time frame.	Severe effect on service provision or a Corporate Strategic Plan priority area. Effect may require considerable additional resource but will not require a major strategy change.	Extremely severe service disruption. Significant customer opposition. Legal action. Effect could not be managed within a reasonable time frame or by a short term allocation of resources, and may require major strategy changes. The Council risks 'special measures'. Officer / Member forced to resign.
Communities	Minimal impact on community.	Noticeable (positive or negative) impact on the community or a more manageable impact on a smaller number of vulnerable groups / individuals which is not likely to last more than six months.	A more severe but manageable impact (positive or negative) on a significant number of vulnerable groups / individuals which is not likely to last more than twelve months.	A lasting and noticeable impact on a significant number of vulnerable groups / individuals.
Environmental	No effect (positive or negative) on the natural and built environment.	Short term effect (positive or negative) on the natural and or built environment.	Serious local discharge of pollutant or source of community annoyance that requires remedial action.	Lasting effect on the natural and or built environment.
Financial Loss / Gain	Under £0.5m	Between £0.5m - £3m	Between £3m - £5m	More than £5m
Fraud & Corruption Loss	Under £50k	Between £50k - £100k	Between £100k - £1m	More than £1m
Legal	No significant legal implications or action is anticipated.	Tribunal / BCC legal team involvement required (potential for claim).	Criminal prosecution anticipated and / or civil litigation.	Criminal prosecution anticipated and or civil litigation (> 1 person).
Personal Safety	Minor injury to citizens or colleagues.	Significant injury or ill health of citizens or colleagues causing short-term disability / absence from work.	Major injury or ill health of citizens or colleagues may result in. long term disability / absence from work.	Death of citizen(s) or colleague(s). Significant long-term disability / absence from work.
Programme / Project Management (Including developing commercial enterprises)	Minor delays and/or budget overspend, but can be brought back on schedule with this project stage. No threat to delivery of the project on time and to budget and no threat to identified benefits / outcomes.	Slippage causes significant delay to delivery of key project milestones, and/or budget overspends. No threat to overall delivery of the project and the identified benefits / outcomes.	Slippage causes significant delay to delivery of key project milestones; and/or major budget overspends. Major threat to delivery of the project on time and to budget, and achievement of one or more benefits / outcomes.	Significant issues threaten delivery of the entire project. Could lead to project being cancelled or put on hold.
Reputation	Minimal and transient loss of public or partner trust. Contained within the individual service.	Significant public or partner interest although limited potential for enhancement of, or damage to, reputation. Dissatisfaction reported through council complaints procedure but contained within the council. Local MP involvement. Some local media/social media interest.	Serious potential for enhancement of, or damage to, reputation and the willingness of other parties to collaborate or do business with the council. Dissatisfaction regularly reported through council complaints procedure. Higher levels of local or national interest. Higher levels of local media / social media interest.	Highly significant potential for enhancement of, or damage to, reputation and the willingness of other parties to collaborate or do business with the council. Intense local, national and potentially international media attention. Viral social media or online pick-up. Public enquiry or poor external assessor report.