

# Strategic Risk Overview Report

Audit Committee

Date: 25 January 2024

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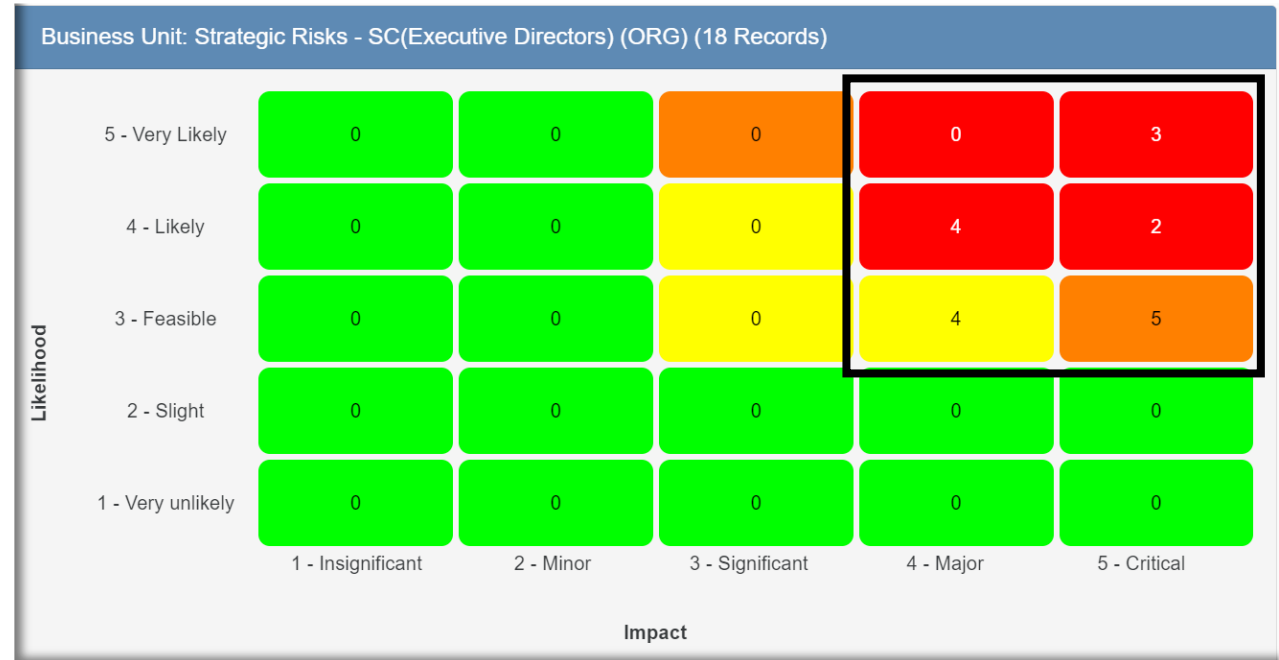
**Somerset**  
Council

# Strategic Risk Summary

## 18 Live Strategic Risks

Reference number - Risk headline – current score

- ORG0057 – Sustainable MTFP – (25)
- ORG0062 – Health & Safety Management – (25)
- ORG0070 – Budget Overspend – (25)
- ORG0053 – Organisational Resilience – (20)
- ORG0065 – Workforce – (20)
- ORG0061 – Climate Change – (16)
- ORG0063 – Commercial Investments – (16)
- ORG0064 - General Housing – (16)
- ORG0068 – Fraudulent Activity – (16)
- ORG0009 – Protecting Children – (15)
- ORG0078 – Workforce Transformation – (15)
- ORG0079 – Social Care Funding – (15)
- ORG0080 – Increase in demand for Services – (15)
- ORG0081 – Local Government Funding – (15)
- ORG0060 – ASC Statutory Obligations – (12)
- ORG0066 – VCFSE – (12)
- ORG0071 – ASC Transformation Programme – (12)
- ORG0075 – LCNs – (12)



## Movement in Rating




Risk Ref	Business Unit	Risk Description - uncertain event that has effect on objectives	Current Risk Rating				Desired score	Controls				
			04/23	07/23	10/23	01/24	Rating	Proactive (existing)	Reactive (Live)	Implemented	Total	
ORG0009	Strategic Risks - SC(Executive Directors)	Strategic Risk 2023 - Protecting Children: We fail to deliver our statutory duties and legal obligations in relation to vulnerable children.	15	15	15	15	15		5	44	49	
ORG0053	Strategic Risks - SC(Executive Directors)	Strategic Risk 2020 - Resilience: Organisational Resilience: Without the minimum level of capacity and resource, the resilience of the	20	20	20	20	10		6	10	16	
ORG0057	Strategic Risks - SC(Executive Directors)	Strategic Risk 2023 - Sustainable MTFP: There is a significant risk that the forecast costs of council services for 2024/25 and future years.	9	20	25	25	9	6	4	7	17	
ORG0060	Strategic Risks - SC(Executive Directors)	Strategic Risk 2022 - ASC: ASC fails to meet statutory obligations under the care act in relation to Care Provider market sufficiency and	12	12	12	12	12		1	7	8	
ORG0061	Strategic Risks - SC(Executive Directors)	Strategic Risk 2022 - Climate Change: SC is unable to take sufficient urgent action to mitigate and adapt to the current and future impacts of	16	16	16	16	9	1	8	1	10	
ORG0062	Strategic Risks - SC(Executive Directors)	Strategic Risk 2023 - Health and safety management, strategic planning and direction is not embedded across the Council, including	16	16	16	25	12	15	0	0	15	
ORG0063	Strategic Risks - SC(Executive Directors)	Strategic risk 2023 - Commercial Investments - Inability to achieve forecast income in the MTFP and a drop in the value of the investment.	n/a	16	16	16	9		1	0	1	
ORG0064	Strategic Risks - SC(Executive Directors)	Strategic Risk 2023 - General Housing: Failure to maintain delivery of affordable housing through third parties (RPs) and direct council	n/a	n/a	16	16	12		0	0	0	
ORG0065	Strategic Risks - SC(Executive Directors)	Strategic risk 2023 - Workforce: Inability to recruit and retain staff	n/a	20	20	20	12		7	0	7	
ORG0066	Strategic Risks - SC(Executive Directors)	Strategic Risk 2023 - VCFSE - The continued risk of financial instability of the sector exacerbated by the financial pressure on	n/a	12	12	12	6		2	1	3	
ORG0068	Strategic Risks - SC(Executive Directors)	Strategic risk 2023 - Increase in Fraudulent activity, including unauthorised release of, amendment to, use of, loss of, and/or loss of	n/a	20	16	16	12	1	4	0	5	
ORG0070	Strategic Risks - SC(Executive Directors)	Strategic Risk 2023 -Budget Overspend: - A significant budget overspends in current financial year (2023/24) that would be <u>have</u> to be funded	n/i	20	25	25	6	7	3	1	11	
ORG0071	Strategic Risks - SC(Executive Directors)	Strategic risk 2023 - ASC: Risk that the Adults Social Care Transformation programme (My Life, My Future) does not achieve its financial targets	n/i	12	12	12	9	1	2		3	
ORG0075	Strategic Risks - SC(Executive Directors)	Strategic Risk 2023 - LCN - Failure to deliver the key commitment of the business case to deliver LCN's	n/i	n/i	12	12	6	0	1	2	1	

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ORG0078	Strategic Risks - SC(Executive Directors)	Strategic Risk 2023: Failure to deliver a business case for workforce transformation Strategic Risk 2023:	n/i	n/i	n/i	15	12	2	0	0	2	
ORG0079	Strategic Risks - SC(Executive Directors)	Strategic Risk 2023: Future policy changes that affect funding in social care	n/i	n/i	n/i	15	12	1	0	0	1	
ORG0080	Strategic Risks - SC(Executive Directors)	Strategic Risk 2023: The risk of increasing demands on services and the impact that this could have in services and budgets	n/i	n/i	n/i	15	12	2	0	0	2	
ORG0081	Strategic Risks - SC(Executive Directors)	Strategic Risk 2023: The risk that the Government will make further cuts to Local Government funding, impacting the sustainability	n/i	n/i	n/i	15	9	0	0	0	0	
		<b>18</b>							<b>0</b>			

# Strategic Risk Changes since last report

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## Current Risk Score Changes

Reference	Headline	Previous score	Movement	Current risk score	Date Changed
ORG0062	Health & Safety Management	16 		25 	17/10/2023

## Closed Strategic Risks.

**ORG0076** – The required LGR staff savings not achievable against expectation of £9.4m by 1/4/24 – (16)

**ORG0077** - The risk that new structures are not affordable – (16).

Both risks were removed from the strategic register on 02/01/2024 by the Service Director, Workforce.

# Council Priorities

Council Plan priority	Strategic Risk headline
A fairer, ambitious Somerset	<ol style="list-style-type: none"><li>1. ORG0057 - Sustainable MTFP (25)</li><li>2. ORG0063 - Commercial investments (16)</li><li>3. ORG0066 - VCFSE (12)</li><li>4. ORG0070 - Budget Overspend (25)</li><li>5. ORG0068 - Increase in fraudulent activity (20)</li></ol>
A flourishing and resilient Somerset	<ol style="list-style-type: none"><li>1. ORG0062 - Health and Safety management (25)</li><li>2. ORG0075 - LCN (12)</li><li>3. ORG0053 - Organisational Resilience (20)</li><li>4. ORG0065 - Inability to recruit and retain staff (20)</li><li>5. ORG0064 – General Housing - failure to maintain delivery of affordable housing (16)</li></ol>
A greener, more sustainable Somerset	<ol style="list-style-type: none"><li>1. ORG0061 - Climate change (16)</li></ol>
A healthy and caring Somerset	<ol style="list-style-type: none"><li>1. ORG0009 - Protecting children (15)</li><li>2. ORG0060 – ASC Fails to meet statutory obligations (12)</li><li>3. ORG0071 - ASC – transformation programme doesn't achieve its financial targets (12)</li></ol>

Several of the strategic risks are relevant to one or more of the priorities above.