

6. STRATEGIC RISKS 2016/17

REPORT OF: Assistant Chief Executive
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Wards Affected: All
Key Decision: No
Report to: Cabinet
14 March 2016

Purpose of Report

1. The purpose of this report is to consider the Council's key strategic risks for 2016/17 and the plans that have been developed for the mitigation and management of those risks.

Summary

2. Officers have identified four significant strategic risks for the Council in 2016/17. The risks have been assessed using the Council's Strategic Risk Management Policy which considers the likelihood of occurring, and the level of impact there would be on the organisation and/or the district should they occur. The small number of identified risks reflects the successful and careful management of risks that has taken place over recent years.
3. It is good practice that the Council's Strategic Risk Management Policy is reviewed on an annual basis. A copy of the current policy can be found at Appendix C.

Recommendations

4. **That Cabinet:**
 - (i) **Agrees the strategic risks for 2016/17 as set out at appendices A and B; and**
 - (ii) **Agrees the existing Strategic Risk Management Policy, as set out at Appendix C.**
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Background

5. On 24 February 2016, Council approved the Corporate Plan and Budget for 2016/17. This Plan is the outcome of a robust service and financial planning process. However, like all plans, it is based on best known assumptions at the time. If these assumptions prove inaccurate because circumstances change during the year, there could be a potential impact on the Council's ability to fully deliver its plans during the year or to be able to do so within budget. It is therefore prudent that the Council identifies what significant factors or events might occur and to ensure it has in place appropriate arrangements for mitigating 'strategic risks'.

2016/17 Strategic Risk Profile

6. Consideration has been given to possible risks across the full range of matters including, financial, legal, reputational, partnership and other risks. Four key strategic risks have been assessed as sufficiently significant that Cabinet may want to record them on the risk profile. Subject to Cabinet's views, these strategic risks will require specific arrangements to manage them. Suggested management plans for each of these are the focus of this report. The proposed Strategic Risk Profile for 2016/17 together with that for 2015/16 is set out as Appendix A.
7. The four proposed strategic risks for 2016/17 are:
 - Risk 1 Failure to achieve a successful examination of the District Plan and Community Infrastructure Charging Schedule
 - Risk 2 Changes to ICT Infrastructure
 - Risk 3 Changes to the operating model at West Sussex County Council
 - Risk 4 Partnership Projects
8. Fuller descriptions of each risk, together with the mitigating actions that are being undertaken to address them, and the relevant contingency plans should those risks materialise, are set out at Appendix B.

Issues in 2016/17 where risk levels have reduced or new risks have been identified.

9. When carrying out the annual review of strategic risks, consideration was given to those issues which had been identified in the risk register for 2015/16, to determine whether they continued to be a significant concern, or whether circumstances had changed sufficiently for the risks to be amended or deleted. It is proposed that, following a review, the risks relating to, the District Plan ICT and changes to the operating model of WSCC continue to be considered strategic risks.
10. Given the progress made in private sector investment in our Town Centres it is proposed to remove this from the list of strategic risks. Given the increased importance of partnership working and their susceptibility to influences that are outside of the Council's control a new risk relating to partnership working has been included.

Risk Management through 2016/17

11. In order to ensure the on-going management of risks through the year, all committee reports contain a risk management section which highlights any associated strategic risks with the subject under examination in that report, and how these risks are being managed. Where reports are dealing with identified key strategic risk areas, the report will provide an update on the management of that risk and note any significant changes in likelihood or impact which may warrant a re-rating of the risk.
12. The individual risk assessments set out at Appendix B indicate what the main reporting mechanisms are for each of the risks over the coming year. It is the responsibility of the relevant Cabinet Portfolio Holder and Head of Service to regularly monitor each strategic risk throughout the year.

Strategic Risk Management Policy

13. In December 2006, Cabinet adopted a Strategic Risk Management Policy. This is reviewed on an annual basis to ensure it remains fit for purpose. The Policy is set out at Appendix C for Cabinet's consideration.

Policy Context

14. The Council has a robust and effective approach to strategic risk management. Strategic Risk Management is an important aspect of every organisation's service and budget processes and the achievement of its corporate priorities. Its application cannot fully insulate the Council from the impact of unexpected external events but it will ensure the Council is best placed to respond if such events occur

Financial Implications

15. There are no financial implications directly arising from this report.

Risk Management Implications

16. There are no other *strategic* risk implications aside from those set out in the report. However it should be noted that *operational* risk matters, such as specific business continuity issues, are handled separately through the Council's Corporate Safety and Risk Management Group.

Equalities Implications

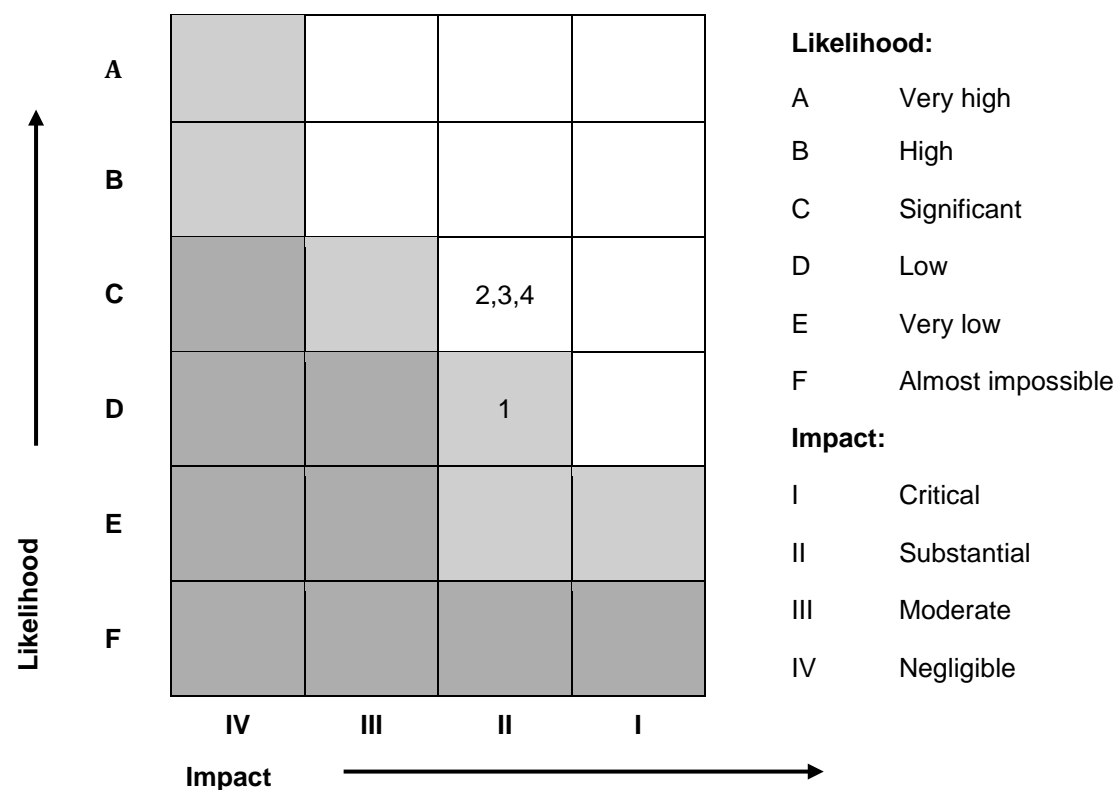
17. Effective management of risks is essential to protect those who are more vulnerable. Where appropriate, Equality Impact Assessments are undertaken where service or policy changes are taking place.

Background Papers

None.

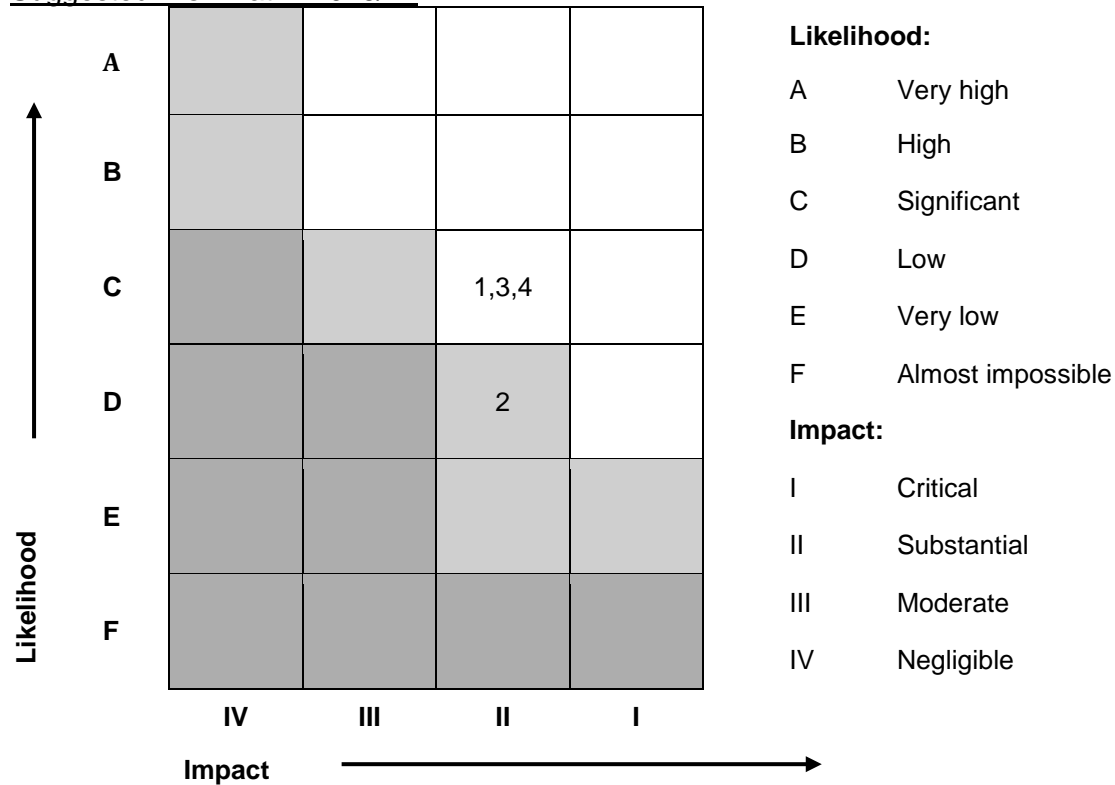
MSDC STRATEGIC RISK PROFILE

Current Risk Matrix 2015/16



Risk No.	Description of the Potential Strategic Risk / Vulnerability	Responsible Portfolio holder and Officer
1.	The Private sector investment in our Town Centres does not deliver the anticipated improvements.	Cllr Marsh Judy Homes
2.	Failure to achieve a successful examination of the District Plan and Community Infrastructure Charging Schedule	Cllr MacNaughton Claire Tester
3.	Changes to the ICT infrastructure	Cllr Ash Edwards Simon Hughes
4.	Changes to the operating model at West Sussex County Council	Cllr Wall Judy Homes

Suggested Risk Matrix 2016/17



Risk No.	Description of the Potential Strategic Risk / Vulnerability	Responsible Portfolio holder and Officer
1.	Failure to achieve a successful examination of the District Plan and Community Infrastructure Charging Schedule	Cllr Andrew MacNaughton Claire Tester
2.	Changes to ICT Infrastructure	Cllr Jonathan Ash Edwards Simon Hughes
3.	Changes to the operating model at West Sussex County Council	Cllr Garry Wall Judy Holmes
4.	Partnership Projects	Cllr Garry Wall Judy Holmes

MID SUSSEX STRATEGIC RISK MANAGEMENT PLANS 2016/17

Risk 1 - Failure to achieve a successful examination of the District Plan and Community Infrastructure Charging Schedule which results in:

An adopted District Plan, which meets community needs and aspirations and protects Mid Sussex from inappropriate development; and an adopted Charging Schedule, which strikes an appropriate balance between maximising the contributions towards infrastructure and not inhibiting economic growth or affordable housing provision.

Description of Risk:

The Council agreed on 11th November 2015 to publish 'Focused Amendments' to the District Plan for public comment in November/December and then to submit the Plan to the Planning Inspectorate. Work is also being undertaken to update the Charging Schedule and, provided this is agreed by Council, this will be published for public comment in spring 2016 and submitted to the Inspectorate in summer 2016 subject to the findings of a current review. Examination of both documents is anticipated in the summer, with adoption of the Plan and Charging Schedule in autumn 2016.

In terms of impact, the consequences of the delay in the adoption of the District Plan and Levy are substantial for the District. These are outlined in more detail below, but essentially the Council continues to have very limited control over how, what and where development occurs, which could severely impact on the environmental, social and economic wellbeing of Mid Sussex.

In terms of likelihood of the risk being realised, significant progress has been made in 2015/16. In particular progress has been made with the duty to cooperate work and advice has been sought from consultants and a Planning QC which has resulted in the increase in housing numbers set out in the Focused Amendments to the District Plan. It is considered that these changes significantly reduce the likelihood of failure at examination and will also reduce the risk of an extended hearing and/or early review of the District Plan.

However, new risks have also emerged during 2015/16, in particular the substantial changes proposed by the Government to affordable housing and in particular the Prime Minister led drive for starter homes, which will effect both the examination and delivery of the District Plan and also the Community Infrastructure Charging Schedule. The overall assessment of risk therefore remains unchanged.

Assessment of Risk:

Likelihood: Significant (C)

Impact: Substantial (II)

Consequences if Risk Occurs:

a) In 2016/17

- delays to the resubmission of the District Plan will perpetuate the District’s vulnerability to unplanned development because weight will not be able to be attached to it in making planning decisions;
- where consensus has been achieved on the location of development (such as at Burgess Hill) rival housing proposals could be successful, and prejudice the achievement of the vision for the town;
- appeal costs could increase as a result of dealing with unplanned schemes.

b) In future years

- As above.
- Inadequate affordable housing leading to longer waiting lists and increased homelessness, with a consequent impact on homelessness costs;
- Inadequate sustainable housing to support a reasonable level of economic growth;
- Low receipt from New Homes Bonus;
- Low infrastructure contributions due to scaled back s106 powers from April 2015, and no Community Infrastructure Levy in place.

ACTION PLAN

PREVENTION	MITIGATION
<p>What we currently do to reduce likelihood of risk occurring during 2016/17:</p> <p>The Council has taken advice from DCLG, the Planning Inspectorate and external advisors to ensure that the work it has undertaken on the Duty to Co-operate, its evidence base and the Plan itself puts it in the best position to be successful at examination next time.</p> <p>Developers are progressing a planning application for the Burgess Hill Northern Arc development (expected spring 2016). Evidence work to support this application can also be used for the District Plan and the CIL Charging Schedule, and the submission of the application will help to demonstrate the deliverability of the development (see risk 4 for further details on how the Northern Arc element of the Burgess Hill Growth Area is being managed).</p> <p>Significant progress has been made with neighbourhood plans, which underpin the District Plan. As at March 2016, 9 plans have been ‘made’ and 4 have been submitted for examination. The</p>	<p>What we currently do to reduce the negative consequences if the risk does occur during 2016/17:</p> <p>This project is regularly reviewed by Management Team to ensure that it stays on track and any issues are resolved promptly. In the event that the risk does occur then Management Team will advise Members on the appropriate way forward.</p> <p>Members will be updated on progress via the Cabinet Member and more formally via the Scrutiny Committee for Planning and Economic Development.</p> <p>The Leader, Cabinet Member and officers will continue to work with neighbouring authorities to clarify their positions and agree mechanisms for addressing cross-boundary issues.</p> <p>Pre-application work on the Burgess Hill development will be progressed to ensure that the quality of the scheme meets the community needs and aspirations and addresses the wider impacts of the development.</p> <p>Officers, in consultation with Ward Members, will continue to work with Town and Parish Councils and developers on other major site proposals to ensure that these are of the best</p>

<p>remaining 7 are all at various stages of public consultation and should be submitted for examination during 2016/17. A Neighbourhood Planning Officer is in post to enhance the service given to parishes, and financial assistance provided on request.</p> <p>Legal advice has been taken on the Government's proposed changes to affordable housing in the Planning and Housing Bill and the amendments to the NPPF. These are expected to be finalised in May/June 2016 and therefore may need to be addressed during the District Plan examination. Further evidence work is being undertaken to understand the implications for the Plan and the CIL Charging Schedule.</p>	<p>achievable quality and location, and meet community aspirations where possible. Even where proposals are likely to be refused planning permission, such negotiations will limit the damage if they are allowed on appeal.</p>
<p>What else are we going to do in 2016/17?</p> <p>This project is regularly reviewed by Management Team to ensure that it stays on track and any issues are resolved promptly.</p> <p>Members will be updated on progress via the Cabinet Member and more formally via the Scrutiny Committee for Planning and Economic Development.</p>	<p>What else are we going to do in 2016/17?</p> <p>The remaining Neighbourhood Plans are expected to be finalised during 2016/17. This will increase the robustness of the evidence for deliverability of the neighbourhood plan element of the proposed housing provision in the District Plan. Members and officers will continue to work with and support Town and Parish Councils in producing Neighbourhood Plans. Town and Parish Councils will be encouraged to progress their plans as far as possible in advance of the District Plan examination to support its 'bottom up' strategy.</p> <p>Similarly, where planning applications for new housing development are considered acceptable and permitted, they will increase the 'committed' proportion of the housing number, and therefore the delivery of this number will be easier to demonstrate.</p>
<p>How and when will the risk be reviewed during 2016/17:</p> <p>Risk reviewed by updates to the Scrutiny Committee for Planning and Economic Development as part of reporting on the progress of the District Plan and the Levy. Reviewed regularly by Management Team.</p>	
<p>Responsibility for the risk: Cabinet Member: Councillor Andrew MacNaughton Management Team Member: Claire Tester</p>	
<p>Date of Assessment: 30th December 2015</p>	

Risk 2 – Changes to ICT Infrastructure

Description of Risk:

The Council has been part of the CenSus ICT partnership for 6 years and whilst some hardware and services are shared across all four partners, many more are still used only by the individual authorities and continue to be maintained locally. Assessing the risk of disruption is more complex without defining the system(s) potentially affected. Some risks are therefore shared and mitigated through the work of the CenSus ICT partnership and some are Mid Sussex specific.

This situation is set to change as Mid Sussex develops and implements its Digital Strategy. The strategy focusses, in part, on simplifying the hardware and software estate and by adopting more flexible technologies, for example cloud hosting and low-code software. These will gradually replace some existing legacy software. While this will be achieved in a measured and careful manner, it is possible that some implementation issues may be encountered during the transition as architecture information and documentation of existing legacy systems is poor. While these should not be significant or lead to disruption, it is considered that the overall level of risk is heightened for that period.

In addition, with this gradual move to offsite infrastructure, internet connectivity assumes paramount importance. There is no history of this service failing, although recently our partners connectivity has been subject to a Distributed Denial of Service (DDOS) attack and slowed considerably. Fail safes are in place but again this reliance adds an element of risk albeit one that would be outweighed by the retention of legacy hardware with the consequent age-related failures.

We also recognise that our ICT partners are both engaged in wholesale change; culturally and operationally which will impact upon the deployment of ICT resource. Balancing the application of finite resources across all clients does have the potential to lead to a shortfall to partners which may in turn threaten service delivery.

Assessment of Risk:

Likelihood: Low (D)

Impact: Substantial (II)

Potential Consequences if Risk Occurs:

a) In 2016/17:

- Loss of key systems or connectivity would lead to service interruption, perhaps for extended times. All services could be affected to varying degrees,.
- Service interruption could mean the inability to recover sums due, pay customers and benefit recipients or communicate adequately or conduct Council business including the Planning function, depending upon the length of time for which disruption occurred.

b) In future years:

- It is unlikely that system disruption would flow across years but the inevitable resource drain in dealing with system recovery would threaten the 'Business as Usual' workload of CenSus staff and thereby create a knock on effect for other system work. Likewise, there could be an ongoing threat to the reputation of the Council.

ACTION PLAN	
PREVENTION	MITIGATION
<p>What we currently do to reduce likelihood of risk occurring during 2016/17:</p> <p>Microsoft Office is being migrated to O365 which is cloud hosted. This means should internet connectivity fail at any site emails and productivity applications can still be accessed using 3 and 4 G connections. Phase 2 will then move 'live' documents and data to be cloud hosted ensuring these are accessible at all times.</p> <p>For the Revenues and Benefits service (provided to three councils), a full disaster recovery plan is in place with a redundant server allowing full mirroring of data every 24 hours.</p> <p>Other key systems are shared across partners (for example, the IDOX planning system) and are held on servers in Horsham thus distributing the risk across multiple sites.</p> <p>Single points of failure are being identified not only within the technical stack but also in expertise to support systems.</p> <p>The ICT Working Group monitor the progress of existing projects and the need to engage in new ICT projects with the aim of rationalising the ICT estate.</p>	<p>What we currently do to reduce the negative consequences if the risk does occur during 2016/17:</p> <p>Backup processes are well established but on new equipment and 'restore' procedures are tested for some key systems still held here at MSDC. Some remote monitoring of key systems is in place, although this will be improved by the introduction of monitoring software in the current year.</p> <p>The Wide Area Network should give us multiple paths to reach the internet to enable connectivity to be maintained.</p> <p>As systems migrate to the cloud access will also be enabled through mobile devices and 3 and 4 G connections. This means should the LAN fail or be subject to a DDOS attack other routes can be used for most cloud based systems.</p>
<p>What else are we going to do in 2016/17?</p> <p>Server migration is planned for the end of 16/17 which will allow the system to be hosted in Private/Community Cloud to improve resilience and eliminate the risk of hardware failure. In turn this also reduces the reliance on CenSus ICT to manage a wide range of business systems. While some systems management will be required for cloud services these are typically guaranteed at 99.95% availability</p>	<p>What else are we going to do in 2016/17?</p> <p>We are proposing to work with external experts to build capabilities that will allow us to substantially replace the Waste management, HR, and Building Control systems and also to develop a roadmap for the Digital Strategy at Mid Sussex.</p> <p>We have also established an ICT Reserve to finance the implementation of Cloud-based platforms and managed withdrawal of local solutions.</p>

We are employing a Project Manager in the current year to ensure that change programmes relating to this are properly resourced and managed.

The Joint Committee monitors the performance of the service at each of their meetings.

How and when will the risk be reviewed during 2016/17:

This will be reviewed via the Management Team at Mid Sussex, at the CenSus Programme Management Board and at the quarterly CenSus Joint Committee. Responsibility for ensuring that the overall arrangements improve and the risks are properly managed lies with the Lead Authority with MSDC and Worthing and Adur Councils acting as client.

Responsibility for the risk:

Cabinet Member: Councillor Jonathan Ash Edwards
Management Team Member: Simon Hughes

Date of Assessment: 27 January 2016

Risk 3 - Changes to the operating model at West Sussex County Council

Description of Risk:

West Sussex County Council (WSSCC) is a key partner to this Council. A number of important key initiatives are delivered in partnership with the County Council for example,

- Think Family Initiative
- Delivery of the Gypsy and Traveller service
- Health and Wellbeing Hub
- West Sussex Waste Partnership
- Housing related support
- Air Quality Management
- Commissioning day activities for older people
- Specialist advise on planning applications and infrastructure requirements

The County Council has been in a state of change for almost 2 years. It has a temporary Chief Operating Officer (COO) and the County Council are currently recruiting a new Chief Executive. The new Senior Management Team structure has recently been put in place the majority of who are new to either West Sussex County Council or their role. The length and level of change has resulted in the need to develop new working relationships with colleagues and may have resulted in the loss of corporate intelligence.

Although the envisaged rate of change has not materialised the Councils intentions remain the same, that is, to become a commissioning council This will result in services being delivered in a radically different way.

The County Council is now entering a new budget cycle and has identified the need to deliver significant savings. This will potentially place further pressures on partnership working, impact on services to local residents and on the delivery of this Council's services.

Assessment of Risk:

Likelihood: Significant (C)

Impact: Substantial (II)

Consequences if Risk Occurs:

- a) In 2016/17:
 - If not well managed the financial challenges facing WSCC could have implications for this Council’s partnership working with the County Council and for services this Council delivers which rely on funding, cooperation, assistance, and advice from the County Council such as, timely good quality advice on planning applications.
 - Existing strong relationships may be significantly and negatively affected
 - Future and new joint working may be under threat which may stifle innovative joint working for example, new initiatives/projects may be delayed or not progressed.

- b) In future years
 - Opportunities for this Council to work in partnership with the County Council to provide innovative and good value for money services for the benefit of local residents may be negatively affected
 - Existing partnership work may be affected by changes in key personnel at the County Council
 - The way services are delivered will radically change which may be destabilising for service users particularly those who are vulnerable.

ACTION PLAN

PREVENTION	MITIGATION
<p>What we currently do to reduce likelihood of risk occurring during 2016/17:</p> <ul style="list-style-type: none"> • Monitor the County Council’s financial position. • Build, utilise and strengthen existing good working relationships with County Council colleagues at all levels including with the Chief Operating Officer and Senior Management Team. This Council’s Chief Executive meets regularly with the Chief Operating Officer • Continue to support and promote partnership working with the County Council to protect existing and new projects and initiatives • Continue to ensure strong political relationships between senior members at the County and District Councils 	<p>What we currently do to reduce the negative consequences if the risk does occur during 2016/17:</p> <ul style="list-style-type: none"> • Keep relationships and partnerships under constant review. • Be alert to the risks at all levels of the Council and share intelligence with Management Team • The senior management teams from both the Councils will start to meet regularly to build and nurture working relationships • Use established contacts at the County Council to deal with issues early • Use of West Sussex Chief Executive’s group to raise issues of concern.

<p>What else are we going to do in 2016/17?</p> <p>We will keep an open dialogue and secure assurance from senior County Council colleagues</p> <p>Use all our intelligence and contacts to keep information flowing</p> <p>Use political networks to flag difficulties should they arise.</p>	<p>What else are we going to do in 2016/17?</p> <p>Use our regular meetings with the COO at the County Council and relevant Councillors to discuss the risks and identify mitigations</p> <p>Seek to influence the change to ensure partnership working is maintained</p>
<p>How and when will the risk be reviewed during 2016/17?</p> <p>Continue to develop good working relationships with new members of the Senior Management Team</p> <p>Continue to maintain good relationships with County Council colleagues</p> <p>Encourage sharing intelligence at all levels of the Council with Management Team</p> <p>Maintain regular meetings with senior colleagues (including Councillors) at the County Council</p>	
<p>Responsibility for the risk</p> <p>Cabinet Member: Councillor Garry Wall</p> <p>Management Team Member: Judy Holmes</p>	
<p>Date of Assessment: February 2016</p>	

Risk 4: Partnership Projects

Description of Risk:

More and more of the Council's work involves working in partnership with other bodies such as other Councils, Government and private developers. Partnership working can be resource intensive and presents a range of potential risks and opportunities. Some can be high risk due to outside influences which the Council has less control over than internal matters. However they can also be very productive, enabling the Council to access different skills and resources and achieve better results for Mid Sussex than the Council working alone.

In 2016-17 the partnership projects of strategic importance the Council is involved in are:

- Burgess Hill Growth Area, comprising
 - Northern Arc
 - Town Centre redevelopment
 - The Brow redevelopment
 - Science and Technology Park
 - The Hub

- Devolution
 - 3 Southern Counties bid
 - Greater Brighton Economic Board bid

Assessment of Risk:

Likelihood: Significant (C)

Impact: Substantial (II)

Consequences if Risk Occurs:

a) In 2016/17

Burgess Hill Growth Area

There are a number of difficult risks associated with the Growth Area.

- Northern Arc – provision of 3,500 homes and associated infrastructure is not only crucial to the vitality of the area but is a key component of the Council's District Plan. Failure to deliver the housing would put pressure on other areas of Mid Sussex to make up the housing shortfall. Delivery of the housing without the necessary infrastructure at the right time would result in an unsustainable development, pressure on the local infrastructure, particularly the road network, and significant damage to the reputation of the Council and the appetite of the community to accept future growth plans.
- Town centre redevelopment – failure to deliver the redevelopment will result in the loss of £65m of private investment into the town centre and would be a missed opportunity to significantly improve the shopping and recreational experience of users and night time economy of the town centre.
- The Brow – failure to deliver public sector partners aspirations will result in a lost opportunity to provide a community hub which would include provision for health, police and ambulance services and make better use of a strategic location.
- Science Park – failure to deliver this would present a lost opportunity to create a unique and innovative park which could attract high value knowledge based industries such as bio data, life sciences, bio tech etc. The location of such a park within Mid Sussex would attract other similar businesses to the surrounding area and ultimately result in a closer match between the highly skilled workforce in Mid Sussex and the workplace

opportunities, leading to a decrease in out-commuting.

- The Hub – failure to attract sufficient tenants of the type that will enhance the local economy will mean that the opportunity is lost to deliver sustainable and attractive jobs.

Devolution

- Loss of an opportunity to lever in £200m from central government into West and East Sussex and Surrey.
- Loss of opportunity to secure freedoms and flexibilities to provide much needed infrastructure and housing.
- Loss of opportunity to develop closer working relationships with Councils in West and East Sussex and Surrey.
- Risk that some aspects of the devolution deals may not be advantageous to Mid Sussex.
- Ability to deliver transport improvements in the south east.

b) In future years

Burgess Hill Growth Area

- Loss of housing or housing in less sustainable locations
- Loss of high value employment opportunities
- Loss of community provision
- Early review of the District Plan

Devolution

- Loss of opportunity to secure Government funding or flexibilities since such assistance will be directed to areas with devolution agreements. Loss of ability to drive through much needed infrastructure improvements.

ACTION PLAN

PREVENTION	MITIGATION
<p>What we currently do to reduce likelihood of risk occurring during 2016/17:</p> <p><u>Burgess Hill Growth Area</u></p> <ul style="list-style-type: none"> • Established close working relationships with the CC team and developers • Established robust governance arrangements – set up an Officers Group, Development Board and Town and Parish Advisory group • Developed close working relationships with the HCA • Commissioned support from Pinsent Masons to assist in negotiations with the developers • Employed a Programme Director and Programme Manager and nominated project managers for each workstream • Commissioned Arup to advise on and establish robust project management processes, including a detailed risk management profile for the Northern Arc • Established links with Atlas • Implemented detailed reporting 	<p>What we currently do to reduce the negative consequences if the risk does occur during 2016/17:</p> <p><u>Burgess Hill Growth Area</u></p> <ul style="list-style-type: none"> • Earlier identification of issues through governance and management arrangements. • Keep relationships and arrangements under constant review • Be vigilant and alert to all risks and share intelligence • Hold regular meetings with stakeholders to ensure a detailed understanding of positions and any fall back options they may have

<p>processes to facilitate early identification of issues</p> <p><u>Devolution</u></p> <ul style="list-style-type: none"> • Play an active part shaping the Devolution deals to ensure they meet the needs of the District. 	<p><u>Devolution</u></p> <ul style="list-style-type: none"> • Work closely with other Councils to ensure the bid to Government is successful and that long discussed road and rail improvements are delivered. • Leading key workstreams.
PREVENTION	MITIGATION
<p>What else are we going to do in 2016/17?</p> <p><u>Burgess Hill Growth Area</u></p> <ul style="list-style-type: none"> • Work closely with ATLAS and HCA • Continue to build working relationships with developers • Secure funding from Local Growth Fund to forward fund critical infrastructure to unblock development where appropriate • Highlight difficulties as soon as they arise • Implement a coherent comms strategy to ensure all partners are fully engaged • Identify learnings from other complex projects delivered by local authorities through partnership working. <p><u>Devolution</u> Secure funding for road improvements in the Burgess Hill area to facilitate the timely and sustainable delivery of the Northern Arc homes, business and leisure facilities. Secure digital connectivity. Continue to lead on the housing aspects of the 3SC deal.</p>	<p>What else are we going to do in 2016/17?</p> <p><u>Burgess Hill Growth Area</u></p> <ul style="list-style-type: none"> • Use the governance arrangements and project management process to highlight risks and identify mitigations. <p><u>Devolution</u> Use the skills in our partner organisations to deliver this work stream.</p>
<p>How and when will the risk be reviewed during 2016/17:</p> <p>Regular reports to Management Team and Management Board, and in the case of the Burgess Hill Growth Area, to the Development Board</p>	
<p>Responsibility for the risk</p> <p>Cabinet Member: Councillor Garry Wall</p> <p>Management Team Member: Judy Holmes</p>	
<p>Date of Assessment: 4th January 2016</p>	

Strategic Risk Management Policy - Mid Sussex District Council

1. Purpose

This is the Mid Sussex District Council Strategic Risk Management Policy approved by Cabinet in December 2006. It sets out the Council's approach to Strategic Risk Management.

2. Definition

Strategic risk management is the way that the Council responds to uncertainty in the external environment. It allows the Council to:

- Identify key strategic risks in the context of the Corporate Plan's objectives.
- Assess risks to determine the potential likelihood and impact of each risk.
- Determine the response that should be made to each risk.
- Develop the necessary actions, controls and processes to implement the chosen response to each risk.
- Communicate its approach to risk management and the results of risk management activity.
- Deal with each risk – either avoid, reduce, share or accept it.

Please Note: In addition to its *strategic* risk management, the Council has a well established approach to *operational* risk management and the principles and tools used to manage this are set out in a more detailed operational risk management strategy.

3. Risk Culture

A strong business wide risk culture is an important aspect of strong corporate governance. Risk Culture is the shared values, attitudes and practices that characterise how the Council considers risk on a day to day basis. The Risk Culture has developed at the Council over recent years so that as an organisation it is less risk averse. Our experience since 2004 has been that this improved risk culture has been influenced by the following factors:

- Awareness of risks faced by the Council
- Understanding of the business and the relevance of risk
- Clear ownership of risks
- Clearly defined responsibilities for risk management activity
- Effective monitoring and reporting of the effectiveness of risk

Whilst the Council is not risk averse, the principles contained within this policy ensure that the Council strikes the right balance in its approach to strategic risk management.

4. Responsibility

Cabinet

Cabinet is the body responsible for the Council's strategic risk management. Cabinet will approve the Council's strategic risks on an annual basis. Cabinet members will work with Heads of Service regarding the progress in managing risks that fall within their portfolio. In addition Cabinet will:

- Provide overall direction on strategic risk management.
- Promote a positive risk culture throughout the organisation including promoting its importance to other Members.
- Hold an annual workshop to agree the strategic risks for the following 12 months.
- Approve an annual Strategic Risk Profile.

The Cabinet Member for Finance and Service Delivery is recognised as the Member Risk Champion and works with the Officer Risk Champion to embed risk management into the organisation.

Management Team

Management Team is responsible for ensuring the Council's strategic risks are actively managed through the year. It will use its weekly meetings to monitor progress across all the risks and where it is found a risk has raised up the risk profile, a report will be submitted to Cabinet. In addition, Management Team has the following responsibilities:

- Implementing the strategic risk management policy.
- Reviewing the management of strategic risk.
- Monitoring the effectiveness of the controls developed to implement the chosen risk response.
- Integrating risk management into the service and budget planning process.
- Promoting a robust and proactive risk culture throughout the organisation.
- Ensuring that appropriate training is put in place for appropriate officers and that it is reflected in the Member Development programme.

The Assistant Chief Executive is recognised as the Officer Risk Champion and works with the Member Risk Champion to embed risk management into the organisation.

5. Reporting Framework

Report	Frequency	Responsible	Considered By
Risk Profile	Annual	Cabinet/Management Team	Cabinet
Management of Strategic Risks	Monthly	Management Team	Management Team
Review of Individual Risk Management	As required	Designated Lead Head of Service for each risk	Designated Committee

6. Review

This Policy will be reviewed on an annual basis by Cabinet.