

Appendix B BBC Q2 Strategic Risks






Ref	Risk name	Risk owner	Description	Cause/s	Potential impact and consequences	Mitigation: existing control measures in place	Risk score		
							Likelihood	Impact	Overall risk
1	Economic hardship	AD: Wellbeing & Community Leadership	The risk of economic hardship to local people	Increase in wholesale energy costs; Supply chain issues; Continuing impact of Covid-19; High rents and low wages; Housing supply, affordable housing and standards issues; Inflation; Fuel shortages; Ukraine conflict	Economic hardship; Fuel poverty; Poor housing; Homelessness; Isolation and lack of opportunities.	Taking action to improve housing standards; Working with local landlords; Support to local people on budgeting, training and jobs; Political pressure on the government to address fuel bills nationally; Campus for Future Living; Investment into Leisure/Learning/Well-being projects.	3	4	High (12)
2	Health	AD: Wellbeing & Community Leadership	The risk of long term health issues on local people; the opportunity to work with health partners to address these	Long term health issues in the local population; Deprivation; Local perceptions; Apathy.	Poor health outcomes; Increased costs to local health services; Unsustainable health services.	The opportunity to work with health partners to address long term health issues and deprivation, to raise awareness and promote good health, to support the sustainability of local health services	3	3	Medium (9)
3	Local economy	AD: Economic Growth	Risk to local businesses, lack of growth, lack of inward investment and tourism; opportunity to encourage growth and stimulate the local economy; good community relations	Continuing impact of Covid-19 on businesses and the local economy; Increasing costs, including fuel costs; Lack of buses, particularly in rural areas, and increasing costs of travel	Struggling/failing local businesses; Stagnating local economy; Lack of inward investment; Low skills and aspirations; Low visitor numbers; Future sustainability of the Town Centre - retail, evening economy, housing, heritage, culture, leisure, events, car parking; Community perceptions.	Town Deal and Levelling Up projects; UK Shared Prosperity; ACE funding applications; Vital & Viable programme; Partnership working for sector support (heritage, culture, leisure and visitor economy).	3	3	Medium (9)
4	Sustainability	AD: Regulatory	Risk to the environment and future sustainability	Carbon emissions; Climate challenge; Need to find the balance between sustainability and pay back; Need to find the balance between education and enforcement.	Impact on future sustainability; Impact on value for money; Reputational risk of failing to lead by example.	Carbon Reduction Action Plan approved. Climate Change Strategy approved. Green Home Grants are in delivery.	2	3	Medium (6)
5	Environmental crime	AD: Neighbourhoods	Impact of environmental crime (fly tipping and littering) on local people, the local area and the reputation of the Council	Residents, visitors and businesses failing to dispose of litter and waste responsibly, using litter bins, the Household Waste Recycling Centre or waste collection companies.	Increase in fly tipping and littering	Education and enforcement; Partnership working, including with community groups	3	3	Medium (9)

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6	Budget	AD: Finance	Risk around the long term balancing of the budget with economic and funding uncertainty	Reduction of government funding; Reduction in income; Capital expenditure; Impact of Internal Drainage Board (IDB) levy; Inflation; Fuel shortages; Ukraine conflict	Lack of money and lack of certainty going forward; Failure to balance budget in future years	Medium Term Financial Strategy; Budgetary process; Sound level of reserves; Continued close monitoring; Funding applications.	3	5	High (15)
7	Service delivery	AD: Corporate	Risks to service delivery	Capacity, workload and resilience; Recruitment and retention; Uncertainty around Local Government Reorganisation (LGR); Compliance failure (audit, health & safety, safeguarding, information governance and management, legal); Technical infrastructure failure; Cyber incident; Negative press; Effects of change and how it affects both officers and elected Members.	Failure in service delivery; Impact on local people; Impact on staff; Impact on budget; Reputational damage; Failure of third party service delivery; Contract failure.	Staff resources maximised under the Partnership; Working with external partners to deliver shared priorities; HR support on recruitment and retention; Training plans; Values & behaviours work; Annual Delivery Plan, Workforce Development, policies and procedures.	3	3	Medium (9)
8	Civil contingency risks	AD: Regulatory	Community risks shared across Lincolnshire, managed in partnership with the Lincolnshire Resilience Forum (LRF)	Impact of Covid19; Influenza type disease; East coast flooding; Inland flooding; Severe weather; Fuel shortages; Loss of critical infrastructure; Animal disease; Environmental pollution and industrial accidents; Transport accidents; Business Continuity incident.	Failure in service delivery; Impact on local people; Reputational damage; Detrimental economic impact on business.	Community Risk Register monitored by the Lincolnshire Resilience Forum (LRF); Work with partners to assess, monitor and plan for these risks together. Exercising of plans and training of staff.	2	4	Medium (8)
9	Infrastructure risks	AD: Economic Growth	Risks to infrastructure - roads, rail, waste management, water supply, energy, digital connectivity	Lack of investment, upgrade and development into infrastructure, broadband/digital connectivity, highways/public transport; Increased demand on infrastructure from population growth and rapid urbanisation	Impact on health, the economy and businesses; Opportunity to generate employment and boost living standards; Opportunity to encourage inward investment.	Sub-regional focus and briefings; Support with the evolution of ideas and solutions; Scrutiny Committee looking at the theme of highways/public transport.	2	4	Medium (8)

Risk Scoring Matrix						
Impact	Critical	5	10	15	20	25
	High	4	8	12	16	20
	Medium	3	6	9	12	15
	Low	2	4	6	6	10
	Minimal	1	2	3	4	5
		Rare	Unlikely	Possible	Likely	Almost certain
						Likelihood

Final Risk scoring    Colour

- Minimal Risk    
- Low Risk        
- Medium Risk    
- High Risk       
- Critical Risk   

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For reference, the category definitions are set out below:

Impact score	1	2	3	4	5
Title	Minimal	Low	Medium	High	Critical
<i>Political risk</i>	Residents unaware of authority's actions	Residents' access to oppose actions limited	Residents' access to oppose actions process blocked	Authority fails to effectively scrutinise its actions	No scrutiny of actions takes place
<i>Reputation risk</i>	Increased complaints for less than one week	Increased complaints for more than one week	Negative local press coverage for one day, increased complaints for more than one week	Negative national press coverage for one day, ongoing negative local coverage	Negative national press coverage over several days. Public criticism from MP, LGA, County Council or national service body
<i>Financial risk</i>	Up to 1% of project budget	Up to 5% of project budget	Up to 10% of project budget	Up to 15% of project budget	Over 15% of project budget
<i>Legal risk</i>	Delays due to legal clarifications being sought (<1 month)	Delays due to legal clarifications being sought (1-6 months)	Delays due to legal clarifications being sought (>6 months)	Project operations potentially subject to legal challenge, project on hold until resolved	Project operations potentially in breach of legislation, project terminated
<i>Disruption risk</i>	Individual members of staff having work disrupted	Multiple members of staff unable to work	Total service outage for one day or less	Total service outage for several days	Total service outage for more than a week
<i>Environmental risk</i>	Immediately remedied damage in an isolated area	Easily remedied damage in an isolated area	Short term damage in an isolated area requiring partners assistance	Damage requiring special budget provision to rectify	Major or widespread damage requiring central government assistance
<i>Contractual risk</i>	Negative impact on key partner relationship	Minor contract renegotiation required	Major contract renegotiation required	Project aims or goal significantly altered or sanction clauses invoked	Project failure and/or termination of contract
<i>Asset &amp; Infrastructure risk</i>	Individual pieces of equipment damaged or needing replacement	Isolated network issues, multiple pieces of equipment needing replacement	Widespread network issues, vehicle damaged	Council properties inaccessible, vehicle need replacing	Council properties damaged, multiple vehicles need replacing, key infrastructure outage
<i>Health and Safety risk</i>	People engaging in hazardous activities without awareness	Individual receives minor injuries	Multiple people receive minor injuries	Individual serious injury	Multiple people seriously injured, individual loss of life

Likelihood score	1	2	3	4	5
Definition	Rare	Unlikely	Possible	Likely	Almost certain
Description	The likelihood of the risk has been minimised to a negligible possibility	The risk is technically possible but an occurrence is not foreseeable in the medium-long term	The risk is a real possibility but the likelihood of an occurrence in the short-medium term is small	The risk is probably going to occur at some point in the medium term-- , possibly sooner	The risk is probably going to occur imminently
Timeframe	Will occur at some point in next 50 years	Will occur at some point in the next 25 years	Will occur at some point in the next 10 years	Will occur at some point in the next 5 years	Will occur at some point in the next year
Probability	10% or less	Between 10-30%	Between 30-50%	Between 50-85%	85% or more

**Risk appetite**

**Minimal:** Avoidance of risk and uncertainty; minimal exposure to risk preferred; consequently likely to be low pot  
corresponding risk score = low

**Cautious:** Preference for safe options with low to medium risk; consequently reduced potential for reward / achie  
corresponding risk score = low to medium

**Creative and aware:** Willing to consider all potential options and choose the one most likely to achieve the objec  
balanced approach recognising that things may go wrong but we will learn from them; corresponding risk score =

**Seek:** Eager to be innovative and to choose options offering potentially higher rewards, despite greater inherent r  
willing to tolerate uncertainty and accept possibility of significant loss; corresponding risk score = high