

Chief Executive's Risk Register – Summary

The following risks form the Chief Executive Unit's Risk Register.

No	Short Risk Description	Actual Score	Appetite	Action Plan
1.	Dependence on property rental income	12	9	Y
2.	Ec Dev fails to meet current & changing needs of customers & citizens	8	9	N
3.	Poor information supply to meet needs of Ec Dev	6	9	N
4.	Competitiveness – Angus perceived as poor location for investment	6	9	N
5.	Competitiveness in terms of securing funding	6	9	N
6.	Loss of IT services for Communications and Resilience Teams coinciding with major incident	6	9	N

IDENTIFIED RISKS/RISK ACTION PLAN:

Risk Owner: Alison Smith
Risk Appetite: 9

Section A – Identified Risk

Risk Description Dependence on property rental income

At present rental income from the Economic Development property portfolio equates to 30% of the gross expenditure of the service. Occupancy levels are high (above 90%) and there are no current major concerns regarding those leases generating the greatest income. However, there is always a risk and unforeseen circumstances can arise eg. company going into liquidation. Any drop in income will have an impact on service delivery but there is particular risk associated with larger more valuable property, with one property representing around 35% of achievable rental.

Actions/Controls already in place

- Good working relationship retained with tenants, providing early warning of any issues
- Engage with business in early discussions regarding renewal to identify any issues
- Ongoing review of risks associated with end of lease period
- Early marketing of vacant units
- Retain units in good repair and provide good customer service
- Monitoring & management of lease expiry dates

Likelihood

Potential Impact

Termination of a number of smaller or one larger lease. This could be due to non-renewal of lease or company failure.

Existing controls have proved effective to date but there is no specific action that can protect the rental stream against the economic failure of tenants or ensure continuity in the event of a natural or man-made disaster.

3

An immediate impact on available budget which requires service cuts

4

Likelihood Score: 3

Potential Impact Score: 4

Overall Risk Score: 12

Section B – Risk Action Plan

Actions/Controls to reduce Likelihood/Potential Impact

Action	Responsibility	Target Date	Success Criteria	Comment
Develop a longer term strategy (5 years) for the upgrading of existing properties & identification of new development needs	Alison Smith	31 March 2015	Establishment & implementation of strategy.	

IDENTIFIED RISKS/RISK ACTION PLAN:**Risk Owner: Alison Smith****Risk Appetite: 9****Section A – Identified Risk****Risk Description**

The Ec Dev Division fails to meet current and changing needs of customers and citizens

An increasing number of projects/services are being delivered to a wider cross-section of businesses and community organisations. Many of these projects/services are new or evolving and are being delivered to new customers. There is a risk that customers have unrealistic expectations of what can be delivered and the timescale we can deliver it in. We may also fail to meet expectations by having too many active projects, when the customer naturally expects theirs to be top priority.

Actions/Controls already in place

Regular monitoring of customer perceptions - harmonised approach to customer surveys and feedback being implemented in 2014/15 to ensure customer perceptions and comments are considered / addressed and include measurement of impact of revised approach.

Promotion of Ec Dev activity revised and being implemented through new communication plan and streamlined approach across all of Ec Dev.

Likelihood**Potential Impact**

Projects/services provided by ED are seen to be less successful than expected- unrealistic customer expectation.

Unanticipated demands impact on core delivery.

Staff are unable to keep up with expected workload.

4

Customer complaints through the media/to Cllrs or senior mgt without our input.

Bad publicity for the ED team and the council.

Inordinate time spent fire fighting.

Workload escalates without prioritisation

2

Likelihood Score: 4**Potential Impact Score: 2****Overall Risk Score: 8**

IDENTIFIED RISKS/RISK ACTION PLAN:

Risk Owner: Alison Smith
Risk Appetite: 9

Section A – Identified Risk

Risk Description Poor information supply to meet the needs of Economic Development

Forward Planning, lobbying and bidding for funds are all essential to the work of ED and the Council. Each of these actions is dependant on the ability to access good up-to-date information and to understand trends (e.g. changes in employment structure). Within the Council information is held by individual departments and analysed for their own use. There is no co-ordinated approach to inform corporate policy. ED pursue information as required which can be very resource intensive.

Actions/Controls already in place

Information held in a number of different locations – Lack of a coordinated approach towards identifying corporate information needs and ensuring best value from the resource already applied.

Likelihood

Potential Impact

Bids for EU and national funding e.g. Regeneration funding.
Preparation of strategic policy.
Bids for continued EU status.
Measuring performance impact.

Poor applications unsuccessful in securing funding.
Ill informed policy decisions taken.
Loss of status e.g. EU or Assisted Area
Inappropriate performance indicators adopted.

3

2

Likelihood Score: 3

Potential Impact Score: 2

Overall Risk Score: 6

IDENTIFIED RISKS/RISK ACTION PLAN:**Risk Owner: Alison Smith****Risk Appetite: 9****Section A – Identified Risk****Risk Description** Competitiveness – Angus perceived as a poor location for investment

Angus has a high dependence on manufacturing which is particularly vulnerable to external factors such as energy prices. The Service Sector is under-represented, while agriculture is also vulnerable to international prices and changes in CAP. A recessionary economy could have significant detrimental impact in Angus.

Actions/Controls already in place

Council and partner investment in infrastructure, including employment, land and property – relatively high current levels of property occupancy as well as demand for land.

Business support structures in place – improved support structures established which represent a significant improvement on previous however the recession has put these under severe pressure.

Assist people into employment, education/training or volunteering - Employability Partnership still developing but significant improvements have been made.

Initial work on developing a land investment strategy.

Revamp of business website.

Likelihood**Potential Impact**

Economic recession.
Greater pressures to compete with neighbouring areas.
Business closures occurring.

Reduced income.

3

Reduced levels of employment and employment opportunities.
Long term threat to capacity to retain services.
High levels of dependency and reduced capacity to support the disadvantaged.
Reduced local spend.

2

Likelihood Score: 3**Potential Impact Score: 2****Overall Risk Score: 6**

IDENTIFIED RISKS/RISK ACTION PLAN:

Risk Owner: Alison Smith

Risk Appetite: 9

Section A – Identified Risk

Risk Description Competitiveness in term of securing funding

Angus Council does not fulfil its commitment to engagement on a transnational level and therefore misses out on a range of possible alternative funding opportunities. Angus needs to ensure it is engaged in discussions to maximise opportunities.

Actions/Controls already in place

International Framework agreed and action plan being developed.
New EU Officer to be appointed with focused remit on identifying and disseminating EU funding opportunities and appropriate projects.
Identification of suitable partnership opportunities working with partners in ESEC, Scotland Europa, etc.
Continue to raise awareness of other funding opportunities throughout the council, aligning funds to council and CPP priorities and co-ordination of all bids through the external funding team.

Likelihood

Potential Impact

The new EU structural fund programmes offer less opportunity for accessing mainstream funds and are focused on larger scale, partnership projects.
Reduced levels of EU funds available.

Less external funding available.
Competing bids submitted by depts if no co-ordination or prioritisation.
Perception of Angus performing poorly.
Increased scrutiny of External Funding Team.

2

3

Likelihood Score: 2

Potential Impact Score: 3

Overall Risk Score: 6

