

Somerset Rivers Authority Board Paper

Strategic Risk Review

RECOMMENDATIONS

The Somerset Rivers Authority (SRA) Board is asked to:

1. Review the current risk log.
2. Recommend any additions or amendments to the strategic risk log.

Purpose of the item

This paper provides the Somerset Rivers Authority (SRA) Board with an opportunity to review the strategic risk log to ensure it captures the most pertinent risks at this time.

Background and context

Risks are monitored and managed through SRA Technical Group, Management Group and individual project managers. Risks are managed at the appropriate level. Project risks are reported through Technical Group and where necessary escalated to Management Group. As well as dealing with project risks where need be, Management Group retains a strategic risk log that captures risks that are seen to pose a strategic risk to the SRA partnership. Where necessary, risks are escalated to the SRA Board, but as a minimum the strategic risk log is presented to the SRA Board at least once a year for review.

Current Status

The current mitigated risk scores for the majority of risks are such that they do not have to be escalated to the Board. Proposed changes are shown in red. Proposed deletions shown as ~~strikethrough~~.

Two risks have been assessed as increasing:

- STRAT03: Failure to deliver Heart of the South West Local Enterprise Partnership (HotSWLEP) funded projects as per revised Funding Agreement and October 2020 variation. The uncontrolled risk has been assessed as increasing because it has not been possible to complete the River Sowey-King's Sedgemoor Drain Enhancements Scheme (Phase 1) as planned. The revised risk score is lower because the Parrett Internal Drainage Board is preparing a project completion plan to assess the actions required and likely cost to complete the remaining works. Until such time as it is confirmed that works will be completed, the risk score is elevated.

- STRAT 11: SRA 'precept' fixed at 1.25% of 2015-16 Council Tax. The value of the SRA's precept is worth less in real terms year on year, ultimately limiting how much can be achieved in the future. The impact score has been increased because each year the value of the precept reduces whilst costs increase.

Two risks have been assessed as decreasing.

- STRAT05: The impact score for this has been revised downwards. This risk was of most concern to the Environment Agency when delivering the River Sowey-KSD project. As the Environment Agency is no longer delivering this project, the likelihood and impact of this causing significant problems has been assessed as reducing.
- STRAT07: A long period without a significant flooding incident results in a fall in public support for the SRA. Recommendation is to remove this risk.

RECOMMENDATIONS

The SRA Board is asked to:

1. Review the current risk.
2. Recommend any additions or amendments to the strategic risk log.

Date: 27 February 2024

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Item 12

STRATEGIC RISK LOG

Strategic defined as existential, i.e. a threat to the SRA's continued existence

Autofill

Autofill

Date: February 2024		RISK IMPACT TYPE					Risk SCORE				REVISED SCORE						
Ref No.	Strategic Risk description/event	Lack of Funds	Lack of, or reduced delivery capacity or commitment	Lack of, or reduced delivery as a result of another major event	Reputational damage	Public expectations cannot be met	Outcomes are insufficient (flood risk reduction, increased resilience) or negative (environmental)	Likelihood (1 - 5)	Impact (1 - 5)	RAG Status (LxI)	Direction of Risk Insert Arrow	Mitigating actions/control measures in place or planned	Likelihood (1 - 5)	Impact (1 - 5)	RAG Status (LxI)	Direction of Risk Insert Arrow	Risk Owner
STRAT01	SRA Partner organisations change of policy which ceases to support the current/future structure of the SRA.	✓	✓	✓		✓		3	5	15	↔	Ensure the successful work of the SRA is regularly communicated to Board Members, stakeholders and the wider public. Increase public communication efforts. Through FAP review work with SRA partners to refresh SRA processes and delivery model.	2	5	10	↔	Board
STRAT02	SRA Partners do not feel that the benefits of being part of the SRA outweigh the costs. Eg low return on investment	✓	✓			✓		3	4	12	↔	Work with the Partners to encourage them to bring forward projects for their areas that the SRA can support. Encourage more joint projects with multiple benefits to come forward. Through FAP review work with SRA partners to refresh SRA processes and delivery model.	2	4	8	↔	Mgt Group
STRAT03	Failure to deliver HotSWLEP funded projects as per revised Funding Agreement and Oct 2020 variation.	✓	✓	✓	✓	✓		4	2	8		Parrett Internal Drainage Board preparing a project completion plan to advise the partnership whether the outstanding work can be completed. Risk relates only to 1 of several LEP funded projects.	3	2	6		Board
STRAT05	SRA Partners fail to find an agreed approach to risk sharing for SRA projects.		✓			✓		4	4	16	↓	Restart risk sharing officer group to agree a way forward. Address issue as part of FAP review.	2	4	8	↓	Mgt Group

STRAT06	Actions within the Flood Action Plan have not been subjected to necessary environmental appraisal which results in challenge.				✓	✓		2	5	10	↔	Seek advice from Natural England and the EA. Undertake an SEA of the revised FAP.	1	5	5	↔	Tech Group
STRAT07	A long period without a significant flooding incident results in a fall in public support for the SRA.	✓	✓	-	-	-	✓	1	5	5	↓	Ensure the successful work funded by the SRA is regularly communicated to Board Members, stakeholders and the wider public with continued community engagement.	1	3	3	↔	Board
STRAT08	Failure to secure necessary legislative changes results in SRA partners withdrawing support and funding from SRA.	✓	✓		✓	✓		2	5	10	↔	Somerset Council as host authority committed to supporting the SRA funding current funding mechanism.	1	5	5	↔	Board
STRAT 10	Lack of staff resource in partner organisations resulting in slow / non delivery of SRA projects leads to fall in support for raising of SRA precept	✓	✓	✓	✓	✓	✓	4	5	20	↔	Identify new ways of working and delivering SRA works programme that is less prone to fluctuations in partner resource. Pilot new approach to development of Enhanced Programme in 2024-25. Approval by partnership Board to consider proposals from non partner organisations.	4	4	16	↔	Mgt Group
STRAT11	SRA 'precept' fixed at 1.25% of 2015/16 Council Tax. Value of SRA precept worth less in real terms limiting how much can be achieved in the future.	✓	✓		✓	✓	✓	5	4	20		Work with Somerset Council Corporate Finance and DHLUC to explore options for increasing precept value in the future. Impact score will increase over time. Encourage as many joint projects with multi-benefits to come forward as possible to maximise value for money.	3	4	12	↔	Mgt Group