

**Appendix C – A template to consider risk appetite as part of service plans – as reported to MAT + 30 November 2021
(Annex 2 to Appendix A)**

SERVICE PLAN TEMPLATE – PROPOSED ADDITIONAL TEXT TO ADD TO EXISTING TEMPLATE INCORPORATING THE RISK APPETITE FOR YOUR SERVICE

There are numerous Services operating across the Council, possibly with varying risk appetites. Being clear on your Service risk appetite will assist you as Managers in making transparent and informed risk-based decisions as part of service provision and delivery of objectives, as well as ensuring the application of proportionate actions and risk mitigation measures (as far as practical and possible) that align with your appetite.

The risk appetite of the Regeneration and Growth Service sits most appropriately within the following appetite (**Positioning of risk appetites discussed with Group Head Regeneration and Growth on 17.11.2021**):

Appetite Category	Minimal	Cautious	Exploratory	Seeking
Appetite Description	Areas where Spelthorne will apply a strong control environment to reduce or minimise the likelihood that a risk will occur and/or reduce the impact of any risk	Areas where Spelthorne seeks low-risk delivery options and will pilot innovation only in a controlled environment	Areas where Spelthorne strikes a balance between the potential upside benefits and downside risks of a decision and explores new solutions and options for delivery	Areas where Spelthorne takes risks by working with new ideas and approaches, looking for innovation and recognizing that failures are an opportunity for learning and improving.
How are each of these appetites articulated when applied across the	Services delivered as planned with mandated developments only	Tried and tested changes made. Use of limited pilots to develop new approaches	Open to new ways of doing things and taking a balanced and pragmatic (capacity-driven) approach to making changes	Continuous re-evaluation of services and how they are delivered to explore new ideas, learn from failures to invest in ever-improving delivery

RAF impact measure for 'Service Provision'				
What is the Council's overall risk appetite for 'Service provision' (CURRENT)?		X		
Use the information above, review the content within your Service Plan and reflect on your Service approaches to establish where your specific Service risk appetite is currently positioned. Add X				
Appetite Category	Minimal	Cautious	Exploratory	Seeking
1.Planning – Development & Management	X			
2.Strategic Planning		X		
3. Assets			X	
4.Economic Development			X	
5. Land Charges	X			
Why does your service risk appetite(s) sit against this category? Provide one or two examples of practices and approaches within your Service to support your assessment. For example, if you define your Service(s) to have a minimal or cautious risk appetite is this influenced by a strong regulatory working environment presenting wider implications or repercussions if this appetite category was not adhered to.				

1. Planning – Development and Management (Minimal)– A highly regulated environment requiring the application of a strong control framework in effectively delivering the Service to meet objectives. Failure to adhere to Planning regulations and legislative requirements presents significant implications for the authority including reputational, legal, financial, health and safety. Exercising due professional care and providing sound judgement is intrinsic to this service area.

2. Strategic Planning (Cautious) – Sits within Council’s overall appetite for Service provision. Working with Members on development proposals and consider innovative approaches where appropriate to deliver plans in a structured environment.

3. Assets (Exploratory) - In supporting the Council’s financial sustainability the Council manages an ambitious and significant property investment portfolio (£1bn). Implemented robust measures to minimise risks relating to its commercial assets and maximise rental income streams. The housing delivery programme including direct delivery through KGE prevails with several property development schemes planned, underway or completed.

4. Economic Development (Exploratory) – Whilst there is flexibility in exploring and facilitating new and innovative approaches to strengthen local economic activity and support ongoing recovery (with many examples of collaborating with local partner groups), the wider externalities operating (macroeconomic environment and national policy decisions) will continue to impact the extent to which economic risks can be effectively managed and mitigated.

5. Land Charges - A regulated environment requiring the application of a strong control framework in effectively delivering the Service to meet objectives. Limited scope to apply new or innovative approaches.

If your Service risk appetite does not align with the Council’s overall risk appetite relating to ‘Service Provision ’, has this been communicated and discussed with MAT/Members to confirm this seems acceptable and appropriate ?

YES/NO

When periodically monitoring progress in implementing Service Plans, consider how you have applied the risk appetite set and whether proportionate action (including risk mitigation measures and implementation of controls) has been taken that aligns with

your appetite. Alternatively have there been frequent instances where the actions pursued fall significantly outside appetite set?
There will be opportunities to review your risk appetite as part of the annual service planning process.

18 November 2021

SERVICE PLAN - RAF