

Brighton & Hove City Council

Transport & Sustainability Committee

Agenda Item 69

Subject: Strategic Risk Annual Progress update

Date of meeting: 6 February 2024

Report of: Executive Director - Economy, Environment and Culture

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Ward(s) affected: All

For general release

1. Purpose of the report and policy context

- 1.1 This report provides an update on the council's progress mitigating the strategic risk no. 36: 'Not taking all actions required to address climate and ecological change and transitioning our city to carbon neutral by 2030'. It gives the Committee an opportunity to support and challenge the Risk Owner (Executive Director – Economy, Environment and Culture) on these risks.
- 1.2 The report sets out a change in approach to managing this strategic risk and the rationale for splitting it into two distinct elements focused on a) delivery of the Carbon Neutral 2030 programme, and b) action to help the city adapt to the climate change and biodiversity crises.

2. Recommendations

The Committee agrees to:

- 2.1 Note the actions taken ('Existing Controls') and the relevant actions planned to mitigate the strategic risks, as outlined in Appendix 1.

3. Context and background information

- 3.1 The council has a Strategic Risk Register (SRR) to ensure key risks for the organisation are proactively identified and actions are in place to mitigate the impact or likelihood of the risks. Audit & Standards Committee approves the Risk Management Framework and the respective policy committees are responsible for oversight of the strategic risks linked to their areas of business. Each policy committee receives an annual update on the progress of their strategic risk(s).
- 3.2 The council's strategic risks are reviewed quarterly by the Executive Leadership Team following a review of progress delivering the

mitigating actions at Directorate Management Teams. This process ensures the council's SRR remains current.

- 3.3 The Transport and Sustainability Committee has a role in monitoring and scrutinising risks relating to its policy area. It can also provide support by making policy decisions that have an effect on the overall risk likelihood or impact.
- 3.4 An initial risk score takes account of the existing controls in place to mitigate a risk (current score). A revised risk score assumes that all risk actions are successfully delivered (target score). The 'likelihood' (L) score ranges from Almost Impossible (1) to Almost Certain (5) and the 'impact' (I) score ranges from Insignificant (1) to Catastrophic (5). These scores are multiplied to give an overall risk score.
- 3.5 Appendix 2 provides guidance on the risk management process including details of opportunities for Members or officers to input on strategic risks.

4. Updates to Strategic Risk 36

- 4.1 In September 2023 the senior officer group in the Economy, Environment and Culture directorate reviewed Strategic Risk 36: 'Not taking all actions required to address climate and ecological change and transitioning our city to carbon neutral by 2030' alongside learning from the externally commissioned 2023 Climate Risk and Vulnerability Assessment (CRVA). The CRVA report is included on the agenda for this committee. The report informed a review of the broad scope of SR36 and in particular the limited focus on management of identified consequences for the city arising from global climate change.
- 4.2 The greatest risks for the city, as detailed in the CRVA report, are summarised as:
 - High temperatures
 - Water scarcity
 - Aridity
 - Increased seasonal soil water saturation
 - Sea level rise
 - Groundwater, coastal and surface water flooding
 - Coastal erosion
 - Slope and embankment failure
 - Extreme weather events
- 4.3 Following careful consideration of the CRVA report, it is acknowledged that existing strategic risk SR36 contains two distinct elements; a 'programme risk' relating to non-delivery of a Carbon Neutral 2030 programme (CN2030), and an 'existential risk' covering the potential impacts of global climate change on the city.
- 4.4 The consequences and the mitigating actions of these risks are different. Non-delivery of a carbon neutral programme damages the local

environment, is detrimental to air quality and leads to greater release of greenhouse gases. It would also jeopardise future funding applications and could expose the council to legal challenge for failure to implement regulatory and legislative changes related to climate action. However, not adapting the city to become more resilient to global climate change would have considerable, tangible impacts on Brighton and Hove's infrastructure, communities, economy, natural environment and people's quality of life over the next decades.

- 4.5 To reflect these two distinct elements, SR36 has been split into two separate risks relating to council-led activity on climate change:

SR36: Not taking effective action to help our city transition to carbon neutrality by 2030, and

SR38: Not taking effective action to improve our city's resilience to the impacts of climate change and biodiversity loss.

- 4.6 Full details on the causes, consequences, control measures and proposed mitigating actions for SR36 and SR38 are set out appendix 1. The mitigating actions are in directorate plans; becoming a sustainable city remains a core council priority, as do the objectives of working towards net zero carbon and protecting and enhancing the city's natural environment.

5. Analysis and consideration of alternative options

- 5.1 The Risk Management process currently in operation is deemed to be suitable.

6. Community engagement and consultation

- 6.1 This is an internal risk reporting process and as such no engagement or consultation has taken place.

7. Conclusion

- 7.1 The council has a robust risk management framework and approach to key strategic risks. There are a number of well-established existing controls in place to ensure the council is taking effective action to address the climate and biodiversity emergencies, help the city become carbon neutral by 2030, and improve its resilience to climate change.
- 7.2 Having two separate strategic risks relating to delivery of a carbon neutral programme and the effectiveness of climate adaptation work enables mitigating actions to be more targeted and risk scores to genuinely reflect the impact of council-led activities. However, it remains the case that the council's actions can only go so far and a significant element of the city's transition to carbon neutrality and resilience to climate change relies on national and/or international policy change, transformation at scale and behaviour change across the city.

8. Financial implications

- 8.1 The Strategic Risks detail the actions already in place ('Existing Controls') or work to be done as part of business or project plans ('Risk Actions') to address the risk. These actions could potentially have significant financial implications for the authority either directly or indirectly, however they are linked to existing deliverables within directorate business plans. The associated financial risks are considered during the Targeted Budget Management process and development of the Medium-Term Financial Strategy.

Name of finance officer consulted: John Lack Date consulted: 19/01/2024

9. Legal implications

- 9.1 Sustainability is one of the functions which is delegated to the Transport & Sustainability Committee. It is therefore appropriate for the Committee to review strategic risk 36 and 38. Any legal implications arising from the actions proposed will need to be considered on a case by case basis.

Name of lawyer consulted: Elizabeth Culbert Date consulted 22/01/2024:

10. Equalities implications

- 10.1 Risk owners are asked to ensure that equalities implications are considered in describing strategic risks, their potential consequences and when developing mitigating actions. This will continue as part of regular officer risk review sessions.

11. Sustainability implications

- 11.1 SR36 and SR38 have a core focus on sustainability as part of working towards carbon neutrality for the city.

12. Other Implications

Public health implications:

- 12.1 As an existing control for SR36 the measures within the Council's Air Quality Management Plan have a considerable impact on the health of the city. In addition, one of the strategic risk actions focuses on the developing Local Transport Plan 5, which has a significant focus on promoting cycling and walking to improve public health and overall quality of life.

Supporting Documentation

Appendices

1. Strategic Risk 36 and 38 progress reports, Jan 2024
2. A guide on the risk management process

Background documents

1. The Climate Risk and Vulnerability Assessment, 2023

