

## **STATEMENT OF RISK APPETITE 2013-14**

### APPENDIX

#### Environment & Enterprise Directorate

Overall and in the main during 2013-14 the Environment and Enterprise Directorate will have a Cautious to Open appetite for risk.

In terms of our general business strategy we will seek during the current period of austerity to re-design the nature of our public service offering to ensure our services are affordable, are value adding to Harrow residents and also continue to improve. We will have relatively open appetite for risk in this area and will be prepared to invest for targeted reward and to be innovative and flexible in alterations to service delivery models provided these can be managed to medium and acceptable levels of risk and maintain service standards.

However in regard to financial risk we will be more cautious in risk terms and will ensure (given the current financial climate of reducing resources) that all directorate spending is prioritized, efficiently deployed and stays within our available cash envelope with value for money being our primary concern.

In terms of legal and regulatory risk we will be similarly cautious in the amount of risk we are willing to take on as a lot of our work and services are statutory and involve acting in an enforcement role (where we must be resilient) and which can be susceptible to a relatively high degree of legal challenge and so we would want to be reasonably sure we would win any such challenge.

Notwithstanding this, we will pursue a relatively open appetite for reputation and credibility risk as we realize that the re-design of our public service offer to residents, which is necessary given the current financial climate of austerity, and also desirable in order for those services to continue to improve, could expose the Directorate to scrutiny and also potential adverse public criticism. In such circumstances we will manage any potential risk to reputation in a proactive, controlled and measured way so that exposure in this area is minimized.

For further information on Environment and Enterprise Directorate risk appetite in 2013-14 please see the Strategic Risk Profile and its Risk Appetite Influencing Factors attached below at Appendix A and B respectively

Caroline Bruce  
December 2012

Strategic Risk Profile (as indicated by the shaded areas)

	AVERSE	MINIMALIST	CAUTIOUS	OPEN	SEEKING
<b>Appetite</b> <b>Risk Type</b>	Avoidance of risk & uncertainty is a key organisational objective	Preference for very service delivery options that have a low degree of inherent risk and only have a potential for limited reward.	Preference for safe delivery options that have a low degree of inherent risk and may only have limited potential for reward.	Willing to consider all potential delivery options and choose the one that is most likely to result in successful delivery while also providing an acceptable level of reward (quality, value for money etc).	Eager to be innovative and to choose service delivery options offering potentially higher customer satisfaction/quality but despite greater inherent risk).
Strategic	Activities confined to existing services and business/delivery models with no departure from these unless enforced. Strong central/senior management control.	Activities strongly confined to existing services and business/delivery models. Variations only considered if they have a low degree of inherent risk. Strong central/senior management control.	Only prepared to accept essential and incremental changes in existing services, and business/delivery models. Variations undertaken provided risk after mitigation is managed to low level. Strong central/senior management control. Risks, costs and control often shared/spread via joint ventures/partnerships.	Prepared to invest for targeted reward and to be flexible in alterations service/business/delivery models provided these are managed to medium/acceptable levels of risk. Strong but senior management control. Joint ventures and partnerships still a strong option.	Council service delivery models under constant review. Organization highly geared and flexible to respond rapidly to self-created or emergent opportunities. Expansion actively sought. "Early-over" in local authority terms. High levels of resourcing and risk taking. High levels of strategic autonomy in directorates & business units.
Financial & VFM	Avoidance of financial loss is a key objective. Only willing to accept the low cost option. Resources withdrawn from nonessential activities.	Only prepared to accept the possibility of very limited financial loss if essential. VFM is the primary concern.	Prepared to accept the possibility of some limited financial loss. VFM still the primary concern but willing to also consider the benefits. Resources generally restricted to core operational targets.	Prepared to invest for increased service quality and then minimize the possibility of financial loss by managing the risks to a tolerable level. Value and benefits considered (not just cheapest price). Resources allocated in order to build on potential opportunities	Prepared to invest for the best possible quality/return and accept the possibility of financial loss (although controls may be in place). Resources allocated without firm guarantee of return – investment/capital type approach.
Operational & Service Delivery	Protective approach to objectives – aim to maintain or protect, rather than to consider change. Priority for tight management controls and oversight with limited devolved decision making authority. General avoidance of systems / technology and developments.	Innovations avoided unless essential. Decision making authority held by senior management. Only essential systems / technology developments to protect current services.	Tendency to stick to the status quo. Innovations generally avoided unless necessary. Decision making authority generally held by senior management. Systems / technology developments limited to improvements or protection of current services.	Innovation is supported, with demonstration of commensurate improvements in service delivery and management control. Systems / technology developments considered to enable service delivery. Powers for non-critical decision-making may be devolved	Innovation/radical change pursued – desire to break the mould and challenge current working practices. New technologies viewed as key enablers of service delivery. High levels of devolved authority/task culture – management by trust rather than tight control
Legal & Regulatory	Avoid anything which could be challenged even unsuccessfully. Play Safe.	Want to be very sure we would win any challenge.	Limited tolerance for sticking our neck out. Want to be reasonably sure we would win any challenge	Challenge will be problematic but we are likely to win it and the gain will outweigh the adverse consequences.	Chances of being are high and consequences serious. But a win would be seen as a great coup.
Reputation & Credibility	Minimal tolerance for any actions/decisions that could possibly lead to Member, regulatory, media or public scrutiny. Adverse criticism of the Council or the Directorate.	Tolerance for risk taking limited to those events where there is no chance of any significant Member, regulatory, media or public criticism of the Council or the Directorate	Tolerance for risk taking limited to events where there is little chance of Member, regulatory, media or public criticism of the Council or the Directorate should there be a failure	Appetite to take decisions with potential to expose the Council/Directorate to scrutiny and adverse criticism but only where appropriate steps have been taken to minimize any exposure.	Appetite to take decisions that are likely to bring scrutiny by Members, regulators, media and the public but where potential benefits outweigh the risks.

## Risk Appetite Influencing Factors

APPETITE	FACTORS INFLUENCING E&E RISK APPETITE IN 2013-14
Strategic	In 2013-14 we will have an Open appetite for strategic risk and will be innovative and flexible in the design and implementation of alternative business and service-delivery models in E&E and will choose those models that are most likely to result in successful/improved delivery while also at the same time providing an acceptable level of return (eg improved efficiency and value for money) for the Council. Key factors influencing our appetite in this area are firstly that the current models are no longer affordable by the Council within its cash envelope and secondly also as models they need to be changed in order that they can continue to improve services. PRISM is a key example in practice of our open approach to strategic risk.
Financial & VFM	We are Minimalist to Cautious in our attitude to financial risk. The key drivers of this attitude are firstly that E&E finances must be managed within the existing cash envelope in budgetary discipline terms (particularly as the Council has a relatively low level of reserves to offset against any overspends) and secondly our finances must also represent value for money in how they are spent. However we will at the same time also look at the benefits of any spending as part of our approach to financial risk and consider carefully and proportionately to our resources how service-quality as well as service-cost can be best optimized.
Operational & Policy Delivery	We have an Open appetite for service delivery risk. Key factors driving our appetite are as outlined above in regard to strategic risk and importantly both innovation and technology will be key enablers of the service (eg as in PRISM above) that we will offer to residents and both will be supported with demonstration of commensurate improvements in service delivery so placing us in the Open category. Levels of innovation required in service re-design and delivery (for example in the rationalization of property assets and the development of our strategies for jobs and entrepreneurial opportunities in the borough) will also require relatively more devolving of non-critical decision-making powers to divisional, service and front-line managers themselves and their teams rather than management of such managers via tight central control, which further places us in the Open category.
Legal & Regulatory	We will have a Cautious appetite for legal and regulatory risk. We are a Directorate with responsibility for delivering universal statutory services (such as in planning, building control, environmental health and parking) and are custodians of the relevant statutory duties in regard to those services. This requires us to behave with care and with caution in regard to legal and regulatory risk and also to be seen to be doing this, particularly as we act in an enforcement role which can be susceptible to legal challenge. To be challenged successfully would carry significant financial, professional and reputation costs for the Directorate and also for the wider Council and this drives our cautious appetite.
Reputation & Credibility	We will have an Open appetite for reputation and credibility risk as we realize that the re-design of our E&E public service offering to residents, which is necessary given the current financial climate of austerity, and also desirable in order for those services to continue to improve, could also expose the Directorate and/or the Council to scrutiny and also potential adverse public criticism. In such circumstances we will manage any potential risk to reputation in a proactive, controlled and measured way so that any exposure in this area is minimized.
OVERALL RISK APPETITE RATING	CAUTIOUS TO OPEN

Model Source: HM Treasury - Thinking About Risk - Managing Your Risk Appetite (2006)

## PMO

During 2013-14 we will, in the main have a Cautious to Open appetite for risk.

The PMO (working in conjunction with council directorates and organizational partners who lead on projects) will be willing to consider all potential service delivery options in project evaluation. The PMO will support choosing those projects that are most likely to result in successful and improved service delivery to our residents but which will also provide an acceptable level of reward/return to the Council (eg in quality, value for money and customer focus but also in the areas of efficiencies, savings, cost improvement and economies of scale). In this respect we will be relatively risk-seeking.

However the PMO will have a more cautious risk appetite, particularly in regard to the level of financial risk we will take and in our attitude to legal and regulatory risks. In terms of our finances, we have to deliver more with significantly less resources and therefore cannot afford to take a significant level of financial risk in project work. In terms of legal and regulatory risk, we will be cautious as we would want to be sure of winning any legal challenge (as previous challenges have been successful, at both a local level and at a wider local authority level) and we will only take this risk after seeking strong and clear advice from the Council's legal services department.

For further details please see the PMO Strategic Risk Profile and its Risk Appetite Influencing Factors attached at Appendix A and B respectively.

Maha Kripalani  
December 2012

PMO Strategic Risk Profile

	AVERSE	MINIMALIST	CAUTIOUS	OPEN	SEEKING
<b>Appetite</b> <b>Risk Type</b>	Avoidance of risk & uncertainty is a key project objective	Preference in projects and project objectives for very safe service delivery options that have a low degree of inherent risk and only have a potential for limited reward.	Preference in projects and project objectives for safe delivery options that have a low degree of inherent risk and may only have limited potential for reward.	Willing to consider all potential delivery options in projects and choose the one that is most likely to result in successful delivery while also providing an acceptable level of reward (quality, value for money etc).	Eager to be innovative in projects and project objectives and to choose service delivery options offering potentially higher customer satisfaction/quality (but despite greater inherent risk).
Strategic	Project objectives confined to existing services and business /delivery models with no departure from these unless enforced. Strong central/senior management control.	Projects strongly confined to existing services and business /delivery models. Variations only considered if they have a low degree of inherent risk. Strong central/senior management control.	Projects are prepared to accept essential and incremental changes only in existing services, and business/delivery models. Variations undertaken provided risk after mitigation is managed to low level. Strong central/senior management control. Risks, costs and control often shared/spread via joint ventures/partnerships.	Projects are prepared to invest for targeted reward and to be flexible in alterations service/business/delivery models provided these are managed to medium /acceptable levels of risk. Strong but boss/central senior management control in projects. Joint ventures and partnerships still a strong option.	Service delivery models in projects under constant review. Organization highly geared and flexible to respond rapidly to self-created or emergent opportunities. Expansion actively sought. "Early-mover" in local authority teams. High levels of resourcing and risk taking. High levels of strategic autonomy in directorates & business units.
Financial & VFM	Avoidance of financial loss is a key objective of projects. Only willing to accept the low cost option. Project resources withdrawn from non-essential activities.	Only prepared to accept the possibility of very limited financial loss if essential in key projects. VFM is the primary concern.	PMO prepared to accept the possibility of some limited financial loss in projects. VFM still the primary concern but willing to also consider the benefits. Resources generally restricted to core operational targets.	PMO prepared to invest for increased service quality in projects and then minimize the possibility of financial loss by managing the risks to a tolerable level. Value and benefits considered (not just cheapest price). Project resources allocated in order to build on potential opportunities	Prepared to invest for the best possible quality/return in projects and accept the possibility of financial loss (although controls may be in place). Project resources allocated without firm guarantee of return – 'Investment capital' type approach.
Operational & Service Delivery	Protective approach to project objectives – aim to maintain or protect, rather than to consider change. Priority for tight management controls and oversight with limited devolved decision making authority. General avoidance of systems / technology and developments.	Innovation avoided in project objectives unless essential. Decision making authority held by senior management. Only essential systems / technology developments addressed in projects in order to protect current services.	Tendency to stick to the status quo in projects. Innovations generally avoided unless necessary. Decision making authority generally held by senior management. Systems / technology developments limited to improvement of current services.	Innovation is supported in project objectives, with demonstration of commensurate improvements in service delivery and management control. Systems / technology developments considered to enable service delivery. Responsibility for non-critical decisions may be devolved	Innovation/radical change pursued in project objectives – desire to break the mould' and challenge current working practices in projects. New technologies viewed as key enablers of service delivery in projects. High levels of devolved authority/task culture – management by trust rather than tight control
Legal & Regulatory	Avoid anything in project objectives which could be challenged even unsuccessfully. Play Safe.	Want to be very sure we would win any challenge as a result of work undertaken in projects.	Limited tolerance for sticking our neck out in project work. Want to be reasonably sure we would win any challenge	Challenge will be problematic but we are likely to win and the gain will outweigh the adverse consequences.	Chances of being are high and consequences serious. But a win would be seen as a great coup for the PMO.
Reputation & Credibility	Minimal tolerance for any actions/decisions in projects that could possibly lead to Member, regulatory, media or public scrutiny /Adverse criticism of the Council or the	Tolerance for risk taking limited to projects where there is no chance of any significant Member, regulatory, media or public criticism of the Council or the Directorate	Tolerance for risk taking limited to events where there is little chance of Member, regulatory, media or public criticism of the Council or the Directorate should there be a failure	Appetite to take decisions in projects with potential to expose the Council or Directorate to scrutiny and adverse criticism but only where appropriate steps have been taken to minimize any exposure.	Appetite to take decisions in projects that are likely to bring scrutiny by Members, regulators, media and the public but where potential benefits outweigh the risks.

## Risk Appetite Influencing Factors

APPETITE	FACTORS INFLUENCING PMO RISK APPETITE IN 2013-14
Strategic	We have an Open appetite for strategic risk. The key factor here is the compelling need for projects to be wide-ranging, innovative and transformational in structures, technology and service delivery (all of which carry increased risks to the project) in order that we can meet the deep and challenging reduction in our resources as required by the Council's MTFs and which extends to 2016/17. We have to do more with significantly less resources over these years. Partnerships and joint ventures are key projects aspect of how we will achieve this. For example, in establishing a Community Budget concept in our partnerships, this goes beyond generating savings, efficiencies and creating economies of scale, but also requires the innovative, re-engineering of services (all of which will impact on residents) and which will in turn require a more Open attitude to risk. Further examples of key projects which need to have a similar Open appetite for risk in order to be successful include PRISM, Families First and reviews of Adults Social Care.
Financial & VFM	We have a Cautious appetite for financial risk. This is driven by the fact that in projects our finances are tight, often reducing and additionally subject to annual Commissioning Panel challenge. We therefore cannot afford, and do not have the risk capacity, to take a significant level of financial risk in our project work. Key projects which reflect this attitude to financial risk include Mobile & Flexible Working, Transfer of Public Health and Civic Centre Consolidation.
Operational & Service Delivery	We have an Open to Seeking appetite for risk in this area as outlined in the Strategic Risk Profile model above. Key factors driving this appetite include the factors outlined above in regard to strategic risk where in order to meet our savings targets we must deliver radical change and re-configuration in how the Council operates and delivers services to residents. Successfully achieving this, in both cost and quality terms, will require the taking of a relatively high level of business process risk, and this is reflected in projects as above.
Legal & Regulatory	We have a Cautious appetite for Legal and Regulatory risk and further to the model above have only a limited tolerance for sticking our neck out in project work and we would want to be reasonably sure we would win in any challenge. We always act in regard to legal matters or implications only after seeking advice from the Council legal department and who are also often fully integrated members of project teams themselves and all key reports/project outcomes recommending action are proactively scrutinized by the legal department before any decision is taken. The factors driving this include a previous history of successful challenges (eg locally the FACS case and on a wider local authority level the Birmingham case).
Reputation & Credibility	We believe we are in the Open category in regard to this type of risk. This is because the Council in its project working no longer can contain the amount of change and re-engineering of services without this significantly affecting and impacting on residents. These changes have the potential to expose the Council to public criticism. However we always act and consult very closely with PHs and the leadership group at the Council in respect to any reputational issue/risk arising from the work of projects. Key projects reflecting this relatively Open appetite for reputation risk include Adults Consultation, Localisation of Council tax Support, Voluntary Sector Commissioning.
OVERALL RISK APPETITE RATING	Cautious to Open

Model Source: HM Treasury - Thinking About Risk - Managing Your Risk Appetite 2006)

## Corporate Services & Finance Portfolio Holders

Overall and in the main during 2013-14 we will have a Cautious to Open appetite for risk.

Whilst we have a preference for safe delivery options which have a low degree of inherent business risk, we will however during the current period of challenge and austerity in public finances, be relatively open in risk appetite terms and be willing to consider all potential strategic and service delivery options, and choose those that are most likely to result in successful delivery (increased level and quality of key services to our residents) while at the same time will provide an acceptable level of return to the Council (particularly in terms of improvement in its operating costs, in increased savings, efficiencies and economies of scale). This will be required so the Council can deliver on its expenditure reduction targets over the medium term to 2017/18.

In regard to financial risk however we will be more cautious in risk terms and will ensure (given the current financial climate of reducing resources), that the MTFS is achieved and all Council spending is prioritized, efficiently deployed and stays within our available cash envelope. If necessary, we will raise our risk appetite in response to the financial climate if this is required and this will be incremental.

We will have a more minimalist appetite for legal and regulatory risk and will take strong steps to ensure the Council is not placed at risk of a successful legal challenge as to be challenged successfully would carry significant financial, professional and reputation costs for the Council.

Similarly, we will have a more minimalist appetite for reputation risk. The council strongly protects its reputation with local residents, particularly as it has a history of changing political complexions and so is sensitive to shifts in public opinion. Therefore tolerance for risk-taking in this area is limited to those events where there is little significant chance of any major member, regulatory, media or public criticism of the Council.

In conclusion, in broad overall and aggregate terms, we will be Cautious to Open in the amount and type of risks we are willing to take on in pursuit of the Council's objectives and where such risks arise these will be identified and managed in a proactive, measured and controlled way.

Sachin Shah  
Graham Henson  
December 2012



Strategic Risk Profile (as indicated by the shaded areas)

	<b>AVERSE</b>	<b>MINIMALIST</b>	<b>CAUTIOUS</b>	<b>OPEN</b>	<b>SEEKING</b>
<b>Risk Type</b>	Avoidance of risk & uncertainty is a key organisational objective	Preference for very service delivery options that have a low degree of inherent risk and only have a potential for limited reward.	Preference for safe delivery options that have a low degree of inherent risk and may only have limited potential for reward.	Willing to consider all potential delivery options and choose the one that is most likely to result in successful delivery while also providing an acceptable level of reward (quality, value for money etc).	Eager to be innovative and to choose service delivery options offering potentially higher customer satisfaction/quality (but despite greater inherent risk).
Strategic	Activities confined to existing services and business /delivery models with no departure from these unless enforced. Strong central senior management control.	Activities strongly confined to existing services and business /delivery models. Variations only considered if they have a low degree of inherent risk. Strong central senior management control.	Only prepared to accept essential and incremental changes in existing services, and business/delivery models. Variations undertaken provided risk affirmation is managed to low level. Strong central senior management control. Risks, costs and control often shared/spread via joint ventures/partnerships.	Prepared to invest for targeted reward and to be flexible in alterations service/business/delivery models provided these are managed to medium /acceptable levels of risk. Strong but boser central senior management control. Joint ventures and partnerships still a strong option.	Council service delivery models under constant review. Organization highly geared and flexible to respond rapidly to self created or emergent opportunities. Expansion actively sought. 'Early-mover' in local authority teams. High levels of resourcing and risk taking. High levels of strategic autonomy in directorates & business units.
Financial & VFM	Avoidance of financial loss is a key objective. Only willing to accept the low cost option. Resources withdrawn from non essential activities.	Only prepared to accept the possibility of very limited financial loss if essential. VFM is the primary concern.	Prepared to accept the possibility of some limited financial loss. VFM still the primary concern but willing to also consider the benefits. Resources generally restricted to core operational targets.	Prepared to invest for increased service quality and then minimize the possibility of financial loss by managing the risks to a tolerable level. Value and benefits considered (not just cheapest price). Resources allocated in order to build on potential opportunities	Prepared to invest for the best possible quality/return and accept the possibility of financial loss (although controls may be in place). Resources allocated without firm guarantee of return – 'investment capital' type approach.
Operational & Service Delivery	Protective approach to objectives – aim to maintain or protect, rather than to consider change. Priority for tight management controls and oversight with limited devolved decision making authority. General avoidance of systems /technology and developments.	Innovations avoided unless essential. Decision making authority held by senior management. Only essential systems /technology developments to protect current services.	Tendency to stick to the status quo. Innovations generally avoided unless necessary. Decision making authority generally held by senior management. Systems /technology developments limited to improvements or protection of current services.	Innovation is supported, with demonstration of commitment in improvements in service delivery and management control. Systems /technology developments considered to enable service delivery. Powers for non-critical decision making may be devolved	Innovation/radical change pursued – desire to break the mould' and challenge current working practices. New technologies viewed as key enablers of service delivery. High levels of devolved authority/task culture – management by trust rather than tight control
Legal & Regulatory	Avoid anything which could be challenged even unsuccessfully. Play Safe.	Want to be very sure we would win any challenge.	Limited tolerance for sticking our neck out. Want to be reasonably sure we would win any challenge	Challenge will be problematic but we are likely to win it and the gain will outweigh the adverse consequences.	Chances of being are high and consequences serious. But a win would be seen as a great coup.
Reputation & Credibility	Minimal tolerance for any actions/decisions that could possibly lead to Member, regulatory, media or public scrutiny /adverse criticism of the Council or the Directorate.	Tolerance for risk taking limited to those events where there is no chance of any significant Member, regulatory, media or public criticism of the Council or the Directorate	Tolerance for risk taking limited to events where there is little chance of Member, regulatory, media or public criticism of the Council or the Directorate should there be a failure	Appetite to take decisions with potential to expose the Council or Directorate to scrutiny and adverse criticism but only where appropriate steps have been taken to minimize any exposure.	Appetite to take decisions that are likely to bring scrutiny by Members, regulators, media and the public but where potential benefits outweigh the risks.



## Risk Appetite Influencing Factors

APPETITE	FACTORS INFLUENCING RISK APPETITE IN 2013-14
Strategic	We have an Open to Seeking appetite and attitude to strategic risk. We keep council service delivery models under constant review and will be prepared to invest for targeted reward and to be flexible and innovative in any alterations service/business/delivery models provided this can be managed to acceptable levels of risk. The key influencing factor in our appetite is the Council's financial position, and further to the MTF5, our requirement to make significant and deep reductions in our expenditure through to 2017/18. A further influencing factor and following on from the financial position is the need for the Council to be innovative in its business processes and to attract and retain innovative people in the organization through the Council's strategic journey. This places us the Open to Seeking category further to the models above.
Financial & VFM	We are Cautious in regard to financial risk. Our financial reserves are not high and achieving the MTF5 will be demanding and for this reason we cannot carry any material or significant overspends or inefficiencies and any losses should be avoided or be must be very limited in their nature. Delivering on our savings (eg procurement) targets and other efficiencies targets (while maintaining and growing the quality of our services via investing for targeted reward, eg innovation) will be financially demanding/tight for us and as above will extend over the medium term through to 2018. These considerations make us cautious in regard to financial risk and recognize the fact that we do not have the risk capacity to take on high levels of financial risk.
Operational & Policy Delivery	We will have an Open to Seeking appetite for service delivery risk. Innovation at the Council will be supported with demonstration of commensurate improvements in service delivery and we see new technologies as key enablers of service delivery that will increase its quality whilst at the same time lower our operating costs which is required for us to meet our savings targets. Examples of this appetite in practice include PRISM, changes to staff teams and conditions, the restructuring of corporate finance, inter-borough working on legal services and the re-ablement programme in CHW.
Legal & Regulatory	Further to the model above we have a Minimalist appetite for legal and regulatory risk. We take strong steps to ensure the Council is not placed at risk of a successful legal challenge. To be challenged successfully would carry significant financial, professional and as above reputation costs for the Directorate and also for the wider Council and this drives our minimalist appetite. For example, we have an Equalities Task Force in place to mitigate any risk in this area, subsequent to the Birmingham case. Our Complaints Team also records one of the lowest levels of ombudsman complaints of any London borough. Additionally, a lot of the Council's work and services are statutory and often involve acting in an enforcement role which can be susceptible to a relatively high degree of legal challenge and so we would want to be sure we would win any such challenge.
Reputation & Credibility	Similarly we are Minimalist in our appetite for reputation risk. The Council strongly protects its reputation with local residents, particularly as it has a history of changing political complexion and is sensitive to the changing shifts of public opinion and so tolerance for risk taking in this area is limited to those events where there is little significant chance of any major member, regulatory, media or public criticism of the Council.
OVERALL RISK APPETITE RATING	Cautious to Open

Model Source: HM Treasury (Thinking About Risk - Managing Your Risk Appetite)