

# **Risky Business:**

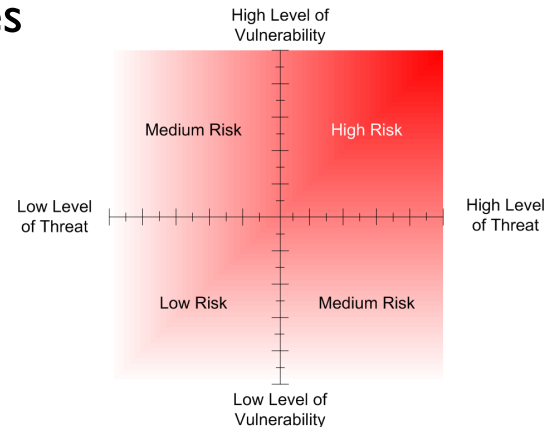
## **the essence of local government**

Barry Quirk  
CE at LB Lewisham

# deciding in conditions of uncertainty

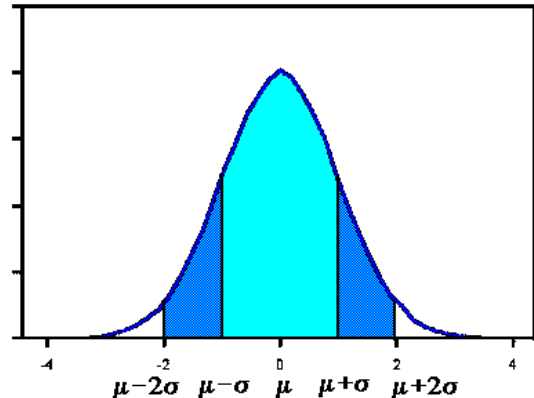
- the human gift of forethought
- the (dis)benefit of hindsight
- striking a balance between reckless certainty and feckless fatalism
- all choice involves differing degrees of chance and probability
- appraising risk – from natural hazards to man-made risks
- conventional approaches ...

	5	10	15	20	25
Likelihood	4	8	12	16	20
	3	6	9	12	15
	2	4	6	8	10
	1	2	3	4	5
	Impact				



# risks that challenge local government

- environmental risks
- economic risks
- risks to people (vulnerability)
- risks from people (threat)
- technological risks
  - system-wide risks
  - operational risks
- risk of service outcome failure
  - policy failure
  - implementation failure
- our prevailing mental model ...



# LARCI study on risk and uncertainty

- examine issues afresh with an aim to offer politicians and professionals more useful tools to help them deal with risk and uncertainty

## three types of input

- Risk experts from Cranfield University and elsewhere
  - Elected Councillors making ever tougher decisions
  - Professional officers advising and implementing
- canvas of new approaches, new thinking, new practice

# why does risk appetite vary?

- attention should be commensurate with risk
  - we think that high risk requires high control which will in turn lower the risk. Is that so?
- risk of service failure varies with organisation and service
- our individual nature varies ...
  - risk junkies – cautious calculators – risk avoiders
- in some organisations failure breeds caution through personalised criticism ...
- **always stress accountability; seldom blame**

# **secret of success - learn fast from trial and error**

“Ever tried. Ever failed.

No matter. Try Again.

Fail again. Fail better.”

Samuel Beckett