Committee Name and Date of Committee Meeting
Audit Committee – 09 January 2024

Report Title
Corporate Strategic Risk Register Update

Is this a Key Decision and has it been included on the Forward Plan?
No

Strategic Director Approving Submission of the Report
Jo Brown, Assistant Chief Executive

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Ward(s) Affected
Borough-Wide

Report Summary

This report forms part of the Audit Committee's remit to consider the Corporate Strategic Risk Register (CSRR) regularly. The report summarises the current risk register and provides a short summary of our risk management arrangements.

Recommendations

1. The Audit Committee is asked to consider and note the updates to the Corporate Strategic Risk Register and make any comments as necessary.

List of Appendices Included

Appendix 1 – Summary Corporate Strategic Risk Register at 13th December 2023

Appendix 2 – Full Corporate Strategic Risk Register at 13th December 2023

Background Papers

Report to Audit Committee; 28th June 2022 (Annual Risk Management Summary 2021-2022)

Report to Audit Committee; 29th November 2022 (Risk Management Strategy and Policy 2022)

Report to Audit Committee; 10th January 2023 (Corporate Strategic Risk Register update)

Report to Audit Committee; 26th September (Annual Risk Management Summary 2022-23 and Corporate Strategic Risk Register Update)

Consideration by any other Council Committee, Scrutiny or Advisory Panel

This paper is not intended to be circulated to other Committees or Panels and is produced solely for the Audit Committee.

Council Approval Required
No

Exempt from the Press and Public

Yes.

An exemption is sought for Appendices 1 and 2 under Paragraph 3 (Information relating to the financial or business affairs of any particular person (including the authority holding that information)) of Part I of Schedule 12A of the Local Government Act 1972 is requested, as this report contains information that refers to the affairs of third parties.

It is considered that the public interest in maintaining the exemption would outweigh the public interest in disclosing the information because failure to do so may result in disclosure of information about the financial or business affairs of Council suppliers and partners.

Corporate Strategic Risk Register Update

1.   Background

1.1   The Council's ongoing risk and assurance aims are to:

- Provide Members and Senior Officers with an understanding of the key risks facing the Council and its community, and to show how these risks are being effectively mitigated.
- Implement and maintain a fluid process for business-as-usual management of risks relevant to our objectives, outcomes, services and assets.
- Align reporting mechanisms for finance, risk, audit and performance providing members and senior officers triangulated risk and assurance profiles.
- Continue to meet the requirements of our external auditor and compliance providers.

1.2   This report aims to summarise the principal risk management activity that has been carried out within the Council throughout the past financial year. It also summarises the key movements in Strategic Risks that have occurred over the period and updates the Committee on the current risks on the Corporate Strategic Risk Register (CSRR).

2.   Risk Management Responsibilities and Process

2.1   The Council's Risk Management Policy and Guide states that risk management is the responsibility of all Council officers. This is further set out in section 6.2 of the Policy and Guide where the specific responsibilities of all members and officers are detailed. All employees are required to:

- Understand risk and their role in managing risks in their daily activities, including the identification and reporting of risks and opportunities.
- Support and undertake risk management activities as required.
- Attend relevant training courses focussing on risk and risk management.

2.2   As well as the key responsibilities set out in the Policy and Guide, the Council has a group of Risk Champions. Each Directorate has at least one Risk Champion who leads on risk for their Strategic Director. The Risk Champions, Assistant Chief Executive and the Corporate Improvement and Risk Manager form the Risk Champions Group. This group is responsible for co-ordinating risk management across the Council.

2.3   Overall strategic responsibility for risk management rests with the Assistant Chief Executive, with day-to-day responsibility assigned delegated to the Corporate Improvement and Risk Manager. The team working on corporate risk management also includes a "Corporate Improvement and Risk Officer". The team's responsibilities are wider than corporate risk management, but the presence of the additional posts ensures that there is resilience in the Council's risk management activity.

2.4   There are Risk Champions in place for the following Directorates and Services:

- Children's and Young People's services
- Regeneration and Environment
- Finance and Customer Services
- Adult Social Care, Housing and Public Health (Housing)
- Adult Social Care, Housing and Public Health (Adult Care)
- Adult Social Care, Housing and Public Health (Public Health)
- Assistant Chief Executive's

2.5   In most cases, each Directorate also has a substitute or deputy Risk Champion who can stand in for the primary Risk Champion when required.

2.6   The Risk Champions' Group meets bi-monthly and has done so consistently over the past twelve months.

2.7   As set out in the Risk Management Policy and Guide, individual Service Management Teams (SMTs) and Directorate Leadership Teams (DLTs) have reviewed their risk registers in line with the Risk Management Policy and Strategy. Typically, teams review their registers every four to twelve weeks depending on the individual meeting cycle and the significance of the risks they are managing. We aim to achieve the best practice of DLTs considering risk at every meeting, but in a way that is proportionate to the risks being faced by the services in question.

2.8   The CSRR has been formally reviewed by SLT and a regular cycle of quarterly reviews has been in place throughout the financial year. It is also reported regularly to the Audit Committee alongside the annual "deep dives" of Directorate Risk Registers. Finally, the Corporate Improvement and Risk Manager, through the Risk Champions, ensures updates are obtained from all risk owners, reviews each update, and draws attention to issues or missing risk register updates.

3.   Corporate Strategic Risk Register at 13 December 2023

3.1   The current "heat map" for the strategic risks included in this update of the register is shown in the table below. One risk has been removed since the last report (SLT04 relating to sustained improvement in Children's Services) and one new risk has been added (SLT39 relating to the need to maintain a sufficient, skilled workforce, hence the arrow moving from zero to its current position). The current "heat map" for the strategic risks appears over the page, along with an indication of their movement since the last report.

Current Risk Heat Map at 13 December 2023
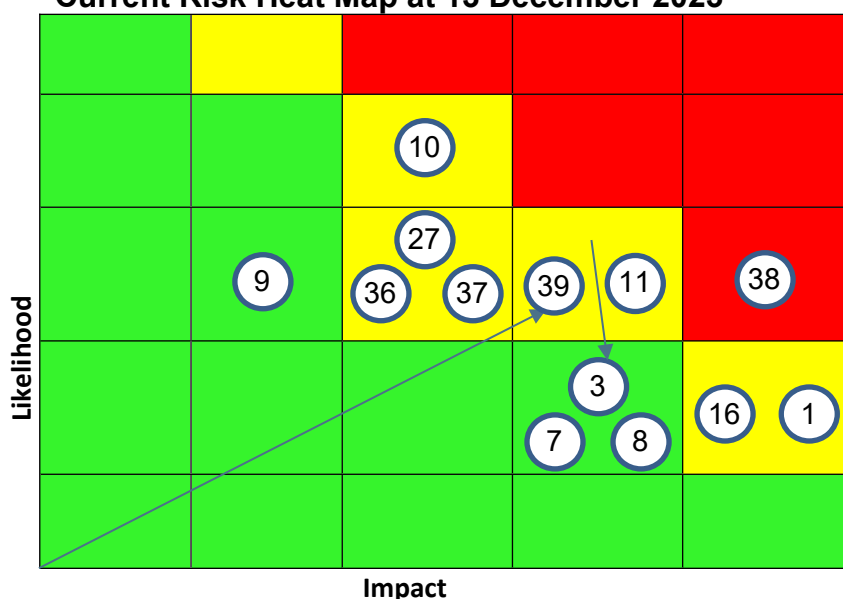
3.2   The table below shows that the long-term level of assessed risk has continued to reduce over the last two years. This reflects the increasing grasp on the key risks that need to be managed at a strategic level as well as the continued improvement following the reduction in the impact of the pandemic. Since July 2022, 25% of risks monitored at a strategic level have reduced in assessed level, just over 56% have remained stable and 19% have increased or are new to the register.

Number	Risk Summary	Jul 22	Dec 22	Jul 23	Dec 23	Risk Movement (Jul 2022 compared to Dec 2023) ↓ = Risk level reduced ↑= Risk level increased → = Risk level static
SLT01	Children's safeguarding	10	10	10	10	→
SLT03	Failure to deliver the Council Plan due to the pressures generated by the cost-of-living crisis	12	12	12	8	↓
SLT04	Making sustainable improvement in Children's Services	10	10	10	-	↓
SLT07	Response to a future pandemic	5	8	8	8	↑
SLT08	Failure to enhance	8	8	8	8	→

	community cohesion					
SLT09	Communications fail to be of sufficient quality	6	6	6	6	→
SLT10	Failure to attract new business and investment	12	12	12	12	→
SLT11	Risk of lack of effective partnership working	12	12	12	12	→
SLT16	Financial plans and budget gap	10	10	10	10	→
SLT22	Failure to comply with Mental Capacity Act/DoLs	9	9	-	-	↓
SLT27	Health and Safety and operational risks from property	9	9	9	9	→
SLT 35	Impact of the COVID pandemic	15	6	-		↓
SLT 36	Insufficient resources committed to Carbon Reduction Plan	9	9	9	9	→
SLT37	Failure to manage and deliver projects	9	9	9	9	→
SLT38	Business Continuity - Closure of the PTSN Network	-	-	15	15	↑
SLT39	Maintaining a sufficient, skilled, workforce	-	-	-	12	↑

3.3   As noted in paragraph 3.1, since the last report in July 2023, there has been one new risk added to the CSRR and one risk has been removed or de-escalated from the register. In total, there remain 13 risks on the CSRR.

3.4   Appendices 1 and 2 are prints of the complete CSRR in two versions. Appendix 1 is the summary version that the Committee would normally review. Appendix 2 is the full, detailed, version of the CSRR. This more detailed version includes additional information on current mitigations in place and makes clearer what mitigation is still to be delivered. The document also sets out the current target level of risk for each risk. This final column is an expression of the Council's risk appetite for that risk. The document at Appendix 2 is being adopted by individual Directorates and has replaced the former spreadsheet-based version of the risk register.

3.5   As can be seen from the current version of the CSRR, eight of the thirteen risks on the register have been in situ for a number of years. Whilst they have been regularly updated and amended, these core risks are now over seven years old and a deeper review is needed. A project has recently commenced to regenerate the CSRR from scratch. This has involved a workshop with the Council's Strategic Leadership Team to consider the performance risks, wider sector risks and other risks currently facing the Council. These are being developed into a new series of risks and will be presented at a future Committee meeting.

4.   Training Summary

4.1   Risk Management training is a fundamental element of the Council's approach to risk management. There are four core elements of the training programme which are:

- A two-hour risk management course for all M2 managers and above. This course is run by the Corporate Improvement and Risk team at least quarterly (and more frequently if required)
- A two-day risk management training course which is run each year by an external provider who are accredited by the Institute of Risk Management (IRM). This course is open to all staff but is a requirement for all Risk Champions and their deputies.
- An online training course for all staff which is delivered through the e-learning system.
- Specific training as required – this includes for elected members delivered as part of the member development programme and to Leadership Teams when required.

4.2   Take up of the M2 manager course remains very high, with a further 45 managers attending the courses run since the annual report in July 2023. The remaining courses are close to fully booked and additional courses will be set up as required.

4.3   The two-day IRM accredited course was run in March 2023. Twelve staff successfully completed this course and, as a result, have received IRM accreditation following a short assessment and test. Again, the level of take up of this course is very encouraging and it will be run again in early 2024.

4.4   A course for elected members was run in February 2022 and was attended by fifteen members. A recording of this course remains on the member training database for members to access when convenient.

4.5   Over the course of the last twelve months, risk management training events have been run for Strategic Leadership Team (SLT), a joint session with SLT and Assistant Directors (SLT/ADs) and the Council's Wider Leadership Team (WLT), which includes all the Council's Heads of Service.

4.6   As reported previously, following extensive development, the online training tool for risk management has now been relaunched. This short e-learning tool is required completion for all staff within a three-month time frame. Staff are allowed three months to complete the course and are also expected to re-complete it once every three years.

5.   Options considered and recommended proposal

5.1   Not applicable.

6.   Consultation

6.1   The risks included in this report have been drawn from Directorate Risk Registers and the Strategic Risk Register.

7.   Timetable and Accountability for Implementing this Decision

7.1   Not applicable.

8.   Financial and Procurement Implications

8.1   The risks contained in the table at section 3.2 require ongoing management action. In some cases, additional resources may be necessary to implement the relevant actions or mitigate risks. Any additional costs associated with the management of these risks will be contained within overall budgets or otherwise reported through the monthly financial monitoring arrangements and to Cabinet if appropriate.

9.   Legal Implications

9.1   There are no direct legal implications arising from the risk register. Any actions taken by the Council in response to risks identified will consider any specific legal implications.

10.   Human Resources Implications

10.1   There are no Human Resources implications associated with the proposals.

11.   Implications for Children and Young People and Vulnerable Adults

11.1   The Strategic Risk Register incorporates the CYPS risks that are of significance at a corporate / strategic level.

12.   Equalities and Human Rights Implications

12.1   Proposals for addressing individual risks within the register incorporate equalities and human rights considerations where appropriate.

13. Implications for Partners and Other Directorates

13.1 The actions relating to any issues affecting partners are reflected in the risk register and accompanying risk mitigation action plans.

14. Risks and Mitigation

14.1 It is important to review the effectiveness of our approach to capturing, managing and reporting risks on an ongoing basis. This report sets out how the approach to risk management will be developed over the course of the coming year.

15. Accountable Officer:

Simon Dennis (Corporate Improvement and Risk Manager)

Approvals Obtained from: -

Jo Brown, (Assistant Chief Executive)

This report is published on the Council's website or can be found at:

Not Applicable for the Appendices – Private Report