

Regulation, Audit and Accounts Committee

4 November 2019

Quarterly Review of the Corporate Risk Register

Report by Director of Finance and Support Services

Executive Summary

This Committee has responsibility for oversight of the Council's risk management arrangements.

One risk relating to in-year projected overspend has been added to the corporate risk register, and the risk likelihood of a no-deal Brexit and not realising the benefits of the transformation programme has increased.

Risk will continue to be considered and discussed as part of a performance review by ELT; with a report capturing risks with a severity above the tolerance threshold, submitted monthly to Cabinet (via ELT).

The Communications and Engagement Team received a half day project management training session in October, highlighting some fundamental tools and techniques to assist the team in managing and delivering their campaigns in support of corporate objectives.

The Risk Management in Practice course is now in the design phase, with the first delivery of the course aiming to be delivered early-2020.

Recommendation

The Committee is asked to review the information detailed in the report, the current Corporate Risk Register and provide comment as necessary.

1. Introduction

1.1 The Committee has responsibility 'to monitor the effective development and operation of risk management in the County Council'. That role, together with a description of the Council's approach to risk management, is set out in the Constitution at Part 4 Section 4. It covers the allocation of responsibilities, including the quarterly review of risk management activity.

2. Background and Context

2.1 At the Jul 2019 meeting this committee reviewed the corporate risk register and risk management processes. The committee were informed of changes to the corporate register from the previous quarter and were asked to review the Risk Management Strategy. The committee were also made aware of the current status of risk training and education.

2.2 During the preceding quarter there have been the following changes to the corporate risk register.

- Corporate risk #22a – In-year projected overspend
 - New risk
 - Risk owner – Katharine Eberhart
- Corporate risk #1 – No deal Brexit
 - Likelihood increased from 4 to 5
- Corporate risk #59 – Benefits from transformation
 - Likelihood increased from 4 to 5

2.3 The following table summaries risks on the corporate risk register with a severity graded above the tolerance threshold are as follows:

| Risk No | Risk | Score - Prev Qtr | Score |
|---------|--|------------------|-------|
| CR22 | Financial sustainability | 25 | 25 |
| CR22a | In-year projected overspend | New | 25 |
| CR61 | Death/serious injury of a child (Council failing in their duty) | 25 | 25 |
| CR62 | WSCC lose operational control of Childrens Services | 25 | 25 |
| CR39a | Cyber-security | 20 | 20 |
| CR58 | Failure of social care provisions | 25 | 20 |
| CR60 | HMIC FRS Improvement Plan | 20 | 20 |
| CR63 | Highways Procurement Litigation | 20 | 20 |
| CR1 | No deal Brexit | 16 | 20 |
| CR59 | Transformational pace and cultural change | 16 | 20 |
| CR11 | Recruit and retain staff | 16 | 16 |
| CR36 | Third party suppliers failure to ensure that contractors perform or operate safely, or to ensure compliance with contract terms and prices | 16 | 16 |
| CR50 | Insufficient health & safety governance | 16 | 16 |

2.4 The risks with a severity of 25 on directorate risk registers are as follows:

| Risk | Directorate | Reason for Directorate Ownership |
|--|----------------------|--|
| Reduction in Adult Services annual budget | Adult Social Care | Manageable within directorate. Monitored and reported to People Services DLT monthly. |
| Meal price increases above the national funding level. | Education and Skills | Transferred to individual schools to manage. Robust support and monitoring to be carried out. |
| NFF (Block DSG) implementation will result in an increased number of schools with financial difficulties | Education and Skills | Manageable within directorate. Risk exposure expected to decrease below threshold within reasonable timeframe. |

2.5 Transformation and Capital Programme risks are reported through their respective programme boards. There is ELT representation on each of these boards ensuring that significant concerns to the successful delivery of the programmes and/or associated projects are discussed, communicated to ELT and reflected in the corporate risk register if required.

- 2.6 The directorate risk registers have been reviewed at least monthly by each Director and their management team, with support from the Corporate Risk Manager where required. The Corporate Risk Manager has continued to engage monthly with CLT members to discuss owned corporate risks, and quarterly to provide assurance on directorate risks and governance.
- 2.7 The risk management eLearning course is embedded in the induction module for new staff and annual refresher training. Risk management Lunch 'n' Learn sessions continue to receive positive feedback and has been extended to March 2020. The Corporate Risk Manager is currently designing the package of training for the 'Risk Management in Practice' course. Once completed, a pilot course will be conducted with the first delivery of the course aiming to be delivered early-2020 (depending on feedback/amendments).
- 2.8 The Corporate Risk Manager recognised a risk to successful campaign delivery due to resource difficulties, and planning and management inconsistencies. As a consequence, the Corporate Risk Manager delivered a half day project management training session to the Communications and Engagement Team in October. The aim of this was to highlight some fundamental tools and techniques to assist the team in managing and delivering their campaigns more effectively and efficiently.
- 2.9 The quality and currency of information contained in the corporate and directorate risk registers will continue to be reviewed and updated. The Corporate Risk Manager is continuing to challenge whether identified actions will sufficiently address the concerns, and within a suitable timeframe.
- 2.10 Enduring activities the Corporate Risk Manager is undertaking to ensure continuous improvement and alignment with best practice include:
- Continue to attend the Sussex Resilience Forum Risk Group to maintain visibility on national risks that may impact WSCC and require inclusion on Corporate Risk Register
 - Attend the South East Risk Managers Group to share best practice of risk management in the public sector across various local authorities
 - Attend appropriate seminars held by professional bodies e.g. Alarm, CMI
 - Support projects and programmes to provide assurance and support on robust governance
 - Engage and support Executive Directors, Directors, service managers and their teams on capturing and communicating risk
 - Continue to engage with Transformation and Capital Programme Boards to ensure and support consistent organisational risk governance
 - Attendance at/facilitating various internal boards/meetings and working groups
- 2.11 The committee is asked to consider the Corporate Risk Register and future actions and provide comment as necessary.

3. Equality Impact Report

- 3.1 An Equality Impact Report is not required for this decision as it is a report dealing with internal and procedural matters only, although the Council's responsibilities in relation to the public sector equality duty will be one element of the approach to risk management.

4. Resource Implications and Value for Money

- 4.1 At this stage, there will be no additional resources required to facilitate the embedding of risk and future actions as current support within the organisation is sufficient. The Corporate Risk Manager is conducting risk workshops in existing management meetings, and delivering risk training sessions during lunch periods to mitigate resource and scheduling conflicts.

5. Risk Management Implications

- 5.1 The subject of the report is the CRR. It would be contrary to the interests of the Council not to ensure that its risk management processes and registers were not aligned to Risk Management Strategy.

6. Crime and Disorder Act Implications

- 6.1 None.

7. Human Rights Act Implications

- 7.1 None.

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Appendices

Appendix A - Corporate Risk Register

Background Papers

None