

Regulation, Audit and Accounts Committee

19 July 2021

Quarterly Review of Corporate Risk Management and Risk Management Strategy

Report by Director of Finance and Support Services

Summary

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

Risks of failing to improve corporate leadership, governance and culture, recruit and retain suitably qualified and experienced Approved Mental Health Professionals (AMHP), deliver existing work plans due to COVID-19 response, and a lack of capacity to deal with strategic/organisational issues have all reduced in significance due to the effectiveness/completion of mitigating actions.

Risk Management Lunch 'n' Learn sessions continue to be delivered as a webinar and has now been made available for staff in Districts and Boroughs at nil cost. The follow-on course (Risk Management in Practice) has been designed for face-to-face delivery using a combination of instruction via PowerPoint and syndicate/group work and will involve staff working through the County Council's risk management process using a generic scenario.

Internal Audit recently conducted a review of Risk Management to seek assurances on the embeddedness of the risk management strategy and associated processes. The Council were found to be 'Reasonable'.

Recommendations

- (1) The Committee is asked to review the information detailed in the report and the current risk management strategy and provide comment as necessary.
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Quarterly update

1 Introduction

- 1.1 The Committee has responsibility 'to monitor the effectiveness of risk management arrangements'. That role, together with a description of the Council's approach to risk management, is set out in the Constitution at Part 4 Section 2. It covers the allocation of responsibilities, including the quarterly review of risk management activity.

2 Background and context

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

Risk No	Risk	Action	Reason	Current Score
CR65	Corporate leadership, governance, and culture	Risk severity reduced. Risk tolerated and will continue to be monitored	Due to completed action and progress of ongoing mitigations	6
CR66	Recruiting and retaining suitably qualified and experienced Approved Mental Health Professionals (AMHP) and the increase in demand	Risk severity reduced. Risk tolerated, deescalated to ASC risk register, and will continue to be monitored	Due to successful recruitment of AMHP's	10
CR68	Services will fail to deliver existing work plans	Risk severity reduced	Due to progress of ongoing mitigations	15
CR70	Increasing demand placed on the senior officers leading to lack of capacity to deal with strategic/organisational issues	Risk severity reduced. Risk tolerated and will continue to be monitored	Due to progress of ongoing mitigations and current COVID-19 situation	12

2.2 The following table summarises risks on the corporate risk register with the current severity graded above the tolerance threshold:

Risk No	Risk	Score - Prev Qtr	Score
CR39a	Cyber-security	25	25
CR58	Failure of social care provisions	25	25
CR69	Children's services will fail to deliver an acceptable provision to the community	20	20

2.3 The corporate risk register continues to be reviewed monthly by the Executive Leadership Team (ELT), with any actions promptly addressed.

2.4 The directorate risk registers have been reviewed at least quarterly by each Director and their management team, with support from the Corporate Risk Manager. The Corporate Risk Manager has continued to engage quarterly with Executive Directorate teams to discuss corporate and other directorate/service risks, and risk governance.

2.5 Operational COVID-19 risks are considered and managed within the services, either through the production of new risks or applying the ramifications to an existing risk and its assessment. In addition, corporate COVID-19 risks are captured and controlled by the councils COVID-19 response team. The Corporate Risk Manager presents a summary of risks by themes and workstreams to ELT monthly for consideration.

The table below summarises the key corporate COVID-19 risks.

Risk
Care homes are struggling to maintain an economically sustainable number of residents when experiencing deaths due to COVID-19 (>50% occupancy required). This lack of revenue creates a risk of care home closures which would then require financial intervention by the County Council to prevent this from occurring
Increasing/unmanageable workload for staff due to anticipated increase in support to LTP

- 2.6 Capital Programme risks are reported through their respective programme board. There is ELT representation on 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. The Corporate Risk Manager has continued to provide support to projects and programmes, and their risk registers.
- 2.7 The Risk Management Lunch 'n' Learn sessions will continue to be delivered as a webinar until at least October 21, and the course content has been amended to facilitate this delivery method. This course has now been made available for staff in Districts and Boroughs at nil cost. The follow-on course (Risk Management in Practice) has been designed for face-to-face delivery using a combination of instruction via PowerPoint and syndicate/group work and will involve staff working through the County Council's risk management process using a generic scenario. To support staff in better managing their risks the Corporate Risk Manager has produced a variety of resources, which have been communicated to all staff and added to the County Council Risk Management SharePoint site.
- 2.8 Internal Audit recently conducted a review of risk management to seek assurances on the embeddedness of the risk management strategy and associated processes. The Council were found to be 'Reasonable'. The table below summarises their observations and the status of each.

Observation/Risk	Action	Action Target Date	Status
County Council's risk management strategy does not meet the current needs of the organisation.	Risk appetite statement to be reviewed to support current organisational position	31 Aug 2021	Complete
	Risk Management in Practice course to discuss appetite when considering risk taking	30 Sep 2021	Complete – designed into course
Duplication of process with Member/ Senior Management time not used to best effect.	Liaise with Dem Services to ensure App C of RM Strategy and constitution are aligned. Ensure Terms of Reference for the Regulation, Audit and Accounts Committee	31 Aug 2021	Complete

	(RAAC) and Scrutiny Committees are accurate.		
	RAAC Members (post-elections) to receive a training session on risk management and their responsibility.	31 Aug 2021	Complete – covered in full Member training
	Deliver risk management training for delivery at Members day.	31 Aug 2021	Complete
Corporate Risk Management Group (CRMG) no longer convening - Non-conformance with Risk Management Strategy.	CRMG was created in the absence of a Corporate Risk Manager and has subsequently been removed as a role in the strategy. CRMG functions now carried out by the Corporate Risk Manager with support from officers when required.	31 Aug 2021	Complete
	The future structure and role of a group to support all forms of risk is under review and will be discussed further once we move away from dealing with COVID. This is likely to be considered during the 2022 annual review of the Strategy.	31 Mar 2022	Outstanding

2.9 An annual review of the County Council Risk Management Strategy (Appendix A) has been conducted, with several amendments carried out. These changes can be seen on page iv of the strategy (Documents Amendments History). The committee are requested to review and provide comment as necessary.

2.10 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.

2.11 Enduring activities the Corporate Risk Manager is undertaking to ensure continuous improvement and alignment with best practice include:

- Attendance at TMG (chairing when requested) and New Ways of Working group
- Review of SRF risks against TMG 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

- Attendance at/facilitating various internal boards/meetings and working groups

- 2.12 At this stage, there will be no additional resources required to facilitate the embedding/management of risk and future actions as current support within the organisation is sufficient. The Corporate Risk Manager is conducting risk workshops and risk training sessions in existing management meetings or during lunchtimes where possible to mitigate resource and scheduling conflicts. However, the 'Risk Management in Practice' course will take place during working hours, and participants will be responsible for ensuring their attendance doesn't significantly impact their role requirement.
- 2.13 The committee is asked to consider the information in this report and the risk management strategy and provide comment as necessary.

3 Risk implications and mitigations

The subject of the report is the corporate risk register. 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.

4 Policy alignment and compliance

- 4.1 Equality duty and human rights assessment. 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.

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Appendices

Appendix A – County Council Risk Management Strategy

Background papers

None