Report to Regulation, Audit and Accounts Committee

14 July 2023

Quarterly Review of Corporate Risk Management

Report by Director of Finance and Support Services

Summary

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

A new risk relating to school placements in the water neutrality area has been added to the corporate risk register. The risk of services failing to deliver existing work plans due to COVID19 has been closed and removed from the corporate risk register. Risks of placing children in unregistered homes, and overdue re-procurement of care and support at home services, have reduced in severity and have been de-escalated to their respective directorate risk registers. Risks relating to a failure of social care provision, death or serious injury of a child, and children's services failing to progress all areas to a 'good' rating, have all reduced in severity.

Recommendations

(1)   The Committee is asked to review the information detailed in the report and provide comment, as necessary.

Quarterly update

1   Introduction

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 4. It covers the allocation of responsibilities, including the quarterly review of risk management activity.

2   Background and context

2.1   Since the previous Regulation, Audit and Accounts Committee (RAAC) on 20 March 2023 there have been the following changes to risks in the Corporate Risk Register (CRR). The full CRR is included in Appendix 1.

Risk No	Risk	Action	Reason	Current Score
CR58	Failure of social care provision	Risk severity reduced	Due to completed mitigations	20
CR61	Death or serious injury of a child	Risk severity reduced and tolerated	Due to completed mitigations and outcome of Ofsted report	10
CR69	Service fails to progress all areas to a 'good' rating within a suitable timeframe	Risk description amended and risk severity reduced	Due to completed mitigations and outcome of Ofsted report	10
CR72	Unregistered care homes - children and young people will not be cared for in settings that best meet their needs	Risk severity reduced	Due to completion of mitigating actions	8
CR73a	Climate Change Mitigation	Supersedes CR73	To provide clarity on each specific area of responsibility for Climate Change	12
CR73b	Climate Change Adaptation	Supersedes CR73	To provide clarity on each specific area of responsibility for Climate Change	12
CR74	Overdue re-procurement of care and support at home services	Risk severity reduced	Due to completed and developing mitigations, and impending arrangements	6

2.2 The following table summarises risks on the CRR with the current severity graded above the tolerance threshold. Full details of the mitigations in place are set out in the accompanying CRR.

Risk No	Risk	Summary of Mitigations	Score - Prev Qtr	Score
CR11	Recruitment and retention	Development of strategic workforce plan, including a consideration of alternative arrangements to address hard to fill posts and salary benchmarking across neighbouring LA's.	25	25
CR39a	Cyber-security	Conduction of penetration tests, disaster recovery and social engineering exercises. IT service redesign to ensure capacity & capability.	25	25

Risk No	Risk	Summary of Mitigations	Score - Prev Qtr	Score
CR22	Financial sustainability	Robust and regular financial planning sessions with ELT, Cabinet and Finance Teams. Lobbying for fairer funding for LA's.	20	20
CR58	Failure of social care provisions	Monitoring of care home financial sustainability, including reviews of capacity and fees paid to providers.	25	20

3   New Risks

3.1   There is one new risk that ELT have agreed to include in the CRR. The full details can be found in Appendix 1.

Risk No	Risk	Reason	Current Score
CR76	School places in water neutrality area	Due to the requirement for certain projects to demonstrate water neutrality before planning approval is obtained, and how this might affect the provision of sufficient school places	12

4   Risk de-escalation or closure

4.1   Following discussions with individual Directors and ELT, the following risks have either been de-escalated or closed.

Risk No	Risk	Action	Reason	Current Score
CR68	COVID19 - Services will fail to deliver existing work plans	Close risk	No impact felt for considerable time. BAU responses expected to address any further waves	10
CR72	Unregistered care homes - children and young people will not be cared for in settings that best meet their needs	De-escalate risk to CYPL risk register	Due to completion of mitigating actions and low likelihood of risk event	8
CR74	Overdue re-procurement of care and support at home services	De-escalate risk to Adults and Health risk register	Risk reduced significantly and new arrangements to commence Apr 24	6

5 Risk Management Framework

5.1 The CRR continues to be reviewed quarterly by ELT, with any actions promptly addressed.

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

5.3 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.

5.4 Capital risks are managed through various project hubs and the Capital programme, all reporting to the Capital and Assets Board. The Board is chaired by a member of ELT with other relevant ELT and senior officers in attendance and ensures that significant concerns to the successful delivery of the programme and/or capital 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.

5.5 Due to the impact of COVID19 the Risk Management Lunch 'n' Learn sessions were delivered as an online seminar, with the course content amended to facilitate this method. Face-to-face delivery of this course has been re-introduced, with two courses scheduled for the 23/24 training year. Both formats of this course are available for staff in Districts and Boroughs, and other partnering organisations, at nil cost. The follow-on course (Risk Management in Practice) is being designed for face-to-face delivery using a combination of instruction via PowerPoint and syndicate/group work and will involve staff working through the WSCC 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 WSCC Risk Management SharePoint site.

5.6 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.

6 Risk Management Strategy

6.1 An annual review of the WSCC Risk Management Strategy (Appendix 2) has been conducted, with no amendments made. The committee are requested to review and provide comment, as necessary.

7   Risk Activities

7.1   Significant activities the Corporate Risk Manager has been undertaking to support continuous improvement and alignment with best practice include:

- Quarterly attendance at all directorate management team meetings to review existing corporate and service level risks, including horizon scanning discussions to identify additional concerns
- Provision of risk management support to Assistant Directors and Heads of Service
- Support to projects and programmes to provide assurance and support on robust governance, most notably Ash Dieback and Solar PV and Battery Storage
- Inclusion of risks into the business planning process
- Increased collaboration with Internal Audit to ensure the risk management framework remains robust and aligned with best practice
- Design and delivery of an internal project management course to ensure risk is considered throughout project delivery
- Support to the Southeast Risk Managers Group to share best practice of risk management across various local authorities

8   Recommendations

8.1   The committee is asked to consider the information in this report and provide comment, as necessary.

9   Risk implications and mitigations

9.1   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.

10   Policy alignment and compliance

10.1 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 1 – WSCC Corporate Risk Register
Appendix 2 – WSCC Risk Management Strategy

Background papers

None