

Regulation, Audit and Accounts Committee

21 January 2019

Quarterly Review of the Corporate Risk Register

Report by Director of Finance, Performance and Procurement

Executive Summary

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

Several risks have been removed from the corporate risk register and de-escalated to directorate risk registers. In addition, the risk severity surrounding fair funding has been increased due to a re-evaluation of the possible impacts. Risk will continue to be considered and discussed as part of a performance review by ELT; with an additional risk report capturing risks with a severity above the tolerance threshold, submitted monthly to Cabinet.

The risk management eLearning course is now complete and will be launched on 1 February 2019. Risk management Lunch 'n' Learn sessions continue to be delivered and have been supported well and receiving positive feedback. These events will run until October 2019; however it is anticipated that they will remain on the risk management course programme as an introductory course once the foundation course has launched.

Recommendations

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 November 2018 meeting this committee reviewed the corporate risk register and risk management processes. The committee were presented with a contractor profit warning report; with significant changes highlighted. The committee were also informed of amendments to the County Council Risk Management Strategy, and 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 #14 – Lack of capacity or competition in the care market
 - De-escalated from corporate risk register to DASS directorate risk register
- Corporate risk #18 – Limited cost consciousness in social care
 - De-escalated from corporate risk register to DASS directorate risk register
- Corporate risk #42 – IT infrastructure
 - De-escalated from corporate risk register to FPP directorate risk register
- Corporate risk #53 – Asset management
 - De-escalated from corporate risk register to FM risk register
- Corporate risk #22 – Lower level of funding
 - Current severity increased to 20

2.3 Since the last committee meeting the corporate risk register has been reviewed once by the Executive Leadership Team. A risk report has been included within the performance pack highlighting the mitigating actions that have been completed, current and target risk exposure by severity, and their progress; and risk subjects for consideration. In addition, a report highlighting risks with a severity greater than 15 and their controls has also been submitted to Cabinet. Both reports are reviewed monthly by ELT. The risks on the corporate risk register with a severity graded above 15 (above tolerance threshold) are as follows:

Risk No	Risk	Score
CR56	LGA Peer Review of Adults' Services	25
CR57	Backlog of Deprivation of Liberty Safeguards (DoLS) assessments	25
CR58	Failure of social care provisions	25
CR39a	Cyber-security	20
CR14	Fair funding	20
CR22	Lower level of funding	20
CR1	Brexit	16
CR11	Recruit and retain staff	16
CR36	Third party suppliers failure to ensure that contractors perform or operate safely, or to ensure compliance with contract terms and prices	16
CR42	Ageing IT infrastructure	16
CR50	Insufficient health & safety governance	16
CR54	Child safeguarding failure	16
CR55	Adult safeguarding failure	15

2.4 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 Corporate Leadership Team members to discuss owned corporate risks, and quarterly to provide assurance on directorate risks and governance.

2.5 The risk management eLearning course is now complete and will be included on the staff induction and annual refresher packages once user testing has taken place. The launch date of the course is 1 February 2019 and it will be reviewed every 6 months to ensure it remains fit for purpose. Risk management Lunch 'n' Learn sessions continue to be delivered and are receiving positive feedback. Scheduled to run until October 2019, they will remain on the risk management course programme as an introduction to risk management once the foundation course is launched.

2.6 The quality and currency of information contained in the corporate and directorate risk registers will continue to be reviewed and updated. Ensuring risk owners identify specific action owners and completion dates is encouraging risk discussion, awareness and ownership; providing assurance of proactive management of risk.

2.7 Activities the Corporate Risk Manager is going to carry out/continue with this quarter, to ensure continuous improvement and alignment with best practice.

- Continue to attend the Sussex Resilience Forum Risk Group to maintain visibility on National Risks that may impact the County Council 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
- Support projects and programmes to provide assurance and support on robust governance
- Engage and support service managers and their teams on capturing and communicating risk
- The Risk Management Strategy is due to be reviewed by the committee in March. Prior to this, the strategy will be updated to indicate the changes in/developments to the Councils risk management approach. In addition, Internal Audit are due to conduct an audit review of risk management and the Risk Management Strategy; with the report expected before the next committee meeting. Once this has been received, plans will be produced to reflect any recommendations/observations and further updates to the strategy carried out, if applicable.

2.8 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