



Decision Pathway – Report

PURPOSE: For reference

MEETING: Cabinet

DATE: 02 October 2018

TITLE	Corporate Risk Management Report and Corporate Risk Register (CRR) Report		
Ward(s)	City Wide		
Author: Jan Cadby	Job title: Interim Risk Manager		
Cabinet lead: Councillor Cheney	Executive Director lead: Mike Jackson / Denise Murray		
Proposal origin: BCC Staff			
Decision maker: Cabinet Member			
Decision forum: Cabinet			
<p>Purpose of Report: Managing risks are an integral element to the achievement of the Bristol City Council's (BCC) Corporate Strategic Plan (CSP) deliverables. The report provides an update on work completed to improve risk management at BCC and sets out the council's current significant risks and summarises progress in managing the risks as at Quarter 2 2018-19.</p> <p>The Corporate Risk Register (CRR) is a key document in the council's approach to the management of risk; it captures strategic risks set out in the Corporate Strategy 2018-2023 and Business Plan 2018-2019. It also provides a context through which Directorates construct their own high level risk assessments and is used to inform decision making about business planning, transformation and service delivery.</p> <p>The CRR provides assurance to management and Members that the Bristol City Council's significant risks have been identified and arrangements are in place to manage those risks within the tolerance levels agreed.</p> <p>The CRR attached to this report at Appendix A is the latest formal iteration following a review by members of the council's Corporate Leadership Board (CLB) on 28th August 2018.</p>			
<p>Evidence Base: The Accounts and Audit Regulations 2015 require the council to have in place effective arrangements for the management of risk. These arrangements are reviewed each year and reported as part of the Annual Governance Statement (AGS).</p> <p>Ensuring that the CRR is soundly based will help the council to ensure it is anticipating and managing key risks to optimise the achievement of the council's objectives and prioritise actions for managing those risks.</p> <p>The CRR is a management tool and needs regular review to ensure that the occurrence of obstacles or events that may put individual's safety at harm, impact upon service delivery and the council's reputation are minimised, opportunities are maximised and when risks happen, they are managed and communicated to minimise the impact.</p> <p>The Risk Management Policy will be subject to an annual review and reported in 2018-19.</p>			
Recommendation:			
Cabinet are requested to receive and note the Corporate Risk Report.			
Corporate Strategy alignment: Managing risks are an integral element to the achievement of the BCC Corporate Strategic Plan (CSP) deliverables.			
City Benefits: Risk Management aims to maximise achievement of the council's aims and objectives.			

Consultation Details:

Risk Management Framework

Risk management is the culture, process and structure that are directed towards effective management of potential opportunities and threats to the council achieving its priorities and objectives and a key element of the council's governance framework.

During the last quarter we have been increasing the level of engagement and ownership by Service Managers through a series of risk management awareness sessions and workshops to review existing risks and identify new and to refresh the Corporate and Directorate Risk Registers maintaining the focus to help reduce the risk against the council's Corporate Plan objectives 2018-23.

The Corporate Risk Register (CRR)

The Corporate Leadership Board (CLB) has reviewed the CRR in August 2018 and accepts it as a working register which will need continued improvement as it embeds.

The CRR sets out the significant critical and high rated risks both threats and opportunities. All other business risks reside on the Directorate Risk Registers.

During the quarter there has been two significant issues to report:

- The External Auditors were unable to sign off the Council's Annual Statement of Accounts for 2017/18 within the revised statutory deadline of 31st July 2018. Officers have been working closely with the auditors to ensure speedy resolution of all outstanding matters to enable publication of audited accounts as soon as possible. This reputational risk has been escalated for next year and improvements to pre-audit planning arrangements are in progress with the appointed external auditors to mitigate the risk.
- The Housing IT Programme was unable to go-live during September 2018. Officers are working to a revised plan with resources committed to enable a revised deadline of the 30th October 2018.

The Corporate Risk Register (CRR) as August 2018 contains:

- No critical risks
- 14 high rated threats
- 6 medium threats
- 1 closed threat
- 3 high opportunities
- 1 medium opportunity
- 1 high and 1 medium event risks

A summary of the progress of new and closed risks for this reporting period are set out below.

There are four new threat risks this quarter:

- **CRR18 - Delivery of 2000 homes per annum by 2020.** The risk of failing to deliver the range of housing to meet Bristol's needs and not realise the ambition to deliver 2000 homes per annum by 2020. The risk rating being 2x5 (10) medium risk. This risk is managed and monitored on the Growth and Regeneration Risk Register.
- **CRR19 - Tree Management:** The risk of trees falling as a result of failure under certain weather conditions and/or due to disease. The risk rating being 3x5 (15) high risk. This risk is managed and monitored on the Communities Risk Register.
- **CRR20 - General Data Protection Regulation (GDPR) Compliance:** If the Council fails to maintain a defensible and compliant response to the Data Protection Act 2018 and General Data Protection Regulation (GDPR) then it will fail to comply with its statutory requirements. The risk rating being 2x5 (10) medium risk. This risk is managed and monitored on the Resources Risk Register.
- **CRR21 - Partnerships Governance:** If the council does not maximise (or cannot quantify) the benefits of partnership working and/or experiences negative or counter-productive results may arise from partnership working. The risk rating being 3x5 (15) high risk. This risk is managed and monitored on the Resources Risk Register.

There is one closed threat risks this quarter:

- **CRR14 - Information Governance - Introduction of the General Data Protection Regulations (GDPR):** The council has made significant progress on compliance with the General Data Protection Regulations (GDPR). The risk closed as 2x5 (10) medium risk and within the councils tolerance level. A new risk **CRR20 - General Data Protection Regulation (GDPR) Compliance** has been identified and recorded on the Corporate Risk Register.

There are four new opportunity risks this quarter:

- **OPP1: One City Plan:** The One City Plan (OCP) will offer a new way to plan strategically with partners as part of a wider city system. The risk rating being 3x5 (15) high opportunity risk. This risk is managed and monitored on the Resources Risk Register.
- **OPP2: Corporate Strategy:** The approved Corporate Strategy presents an opportunity to fundamentally refresh and strengthen our business planning, leadership and performance frameworks. The risk rating being 3x5 (15) high opportunity risk. This risk is managed and monitored on the Resources Risk Register.
- **OPP3: Devolution:** Should the potential arise for opportunities from a region’s evolving second devolution deal that could lead to an opportunity to align the Councils corporate priorities and strengthen regional partnership working. The risk rating being 3x5 (15) high opportunity risk. This risk is managed and monitored on the Resources Risk Register.
- **OPP4: Brexit:** If exiting the European Union provides benefits, such as increased domestic concentration of power, this may lead to opportunities for this to be harnessed at a local or regional level. The opportunity risk being 1x5 (5) medium risk. This risk is managed and monitored on the Resources Risk Register.

All risks on the CRR have management actions in place. The CRR continues to be subject to a refresh during 2018.

As with all risks, it is not possible to eliminate the potential of failure entirely without significant financial and social costs. The challenge is to make every reasonable effort to mitigate and manage risks effectively, and where failure occurs, to learn and improve.

Further details are contained in Appendix A: The summary of the threat risks are set out on pages 1 to 20, opportunity risks pages 21 to 22, and external and civil contingency risks on page 23 all including controls and management actions.

A summary of risk performance on pages 24 to 25 by level of risk, the risk matrix on page 26 and the risk scoring criteria on page 27. A more in-depth risk register is available on request.

Revenue Cost	£0	Source of Revenue Funding	NA
Capital Cost	£0	Source of Capital Funding	NA
One off cost <input type="checkbox"/>	Ongoing cost <input type="checkbox"/>	Saving Proposal <input type="checkbox"/>	Income generation proposal <input type="checkbox"/>

Required information to be completed by Financial/Legal/IT/ HR partners:

1. Finance Advice: The CRR is a live document refreshed regularly following consultation across the organisation, and aims to provide assurance that the council’s main risks have been identified and appropriate mitigations are in place to ensure they are managed within agreed tolerances. This includes, as set out in the annual budget report, measures to ensure appropriate financial provision is made through the budget planning process and reserves.

Finance Business Partner: Interim Head of Finance. 23rd August 2018.

2. Legal Advice: There are no specific legal implications in the report. The Corporate risk register and report assists the council to monitor and ensure good governance and compliance with its Statutory duties.

Legal Team Leader: Head of Legal Service and Deputy Monitoring Officer. 20th August 2018.

3. Implications on IT: The production of this report, in itself, carries no direct IT implications. Clearly, there are IT implications identified within it and these are being addressed in line with the comments contained in the relevant sections.

IT Team Leader: Acting Head of IT. 23rd rd August 2018.		
4. HR Advice: It is essential that staffing resources are appropriately deployed to manage these risks that are highlighted. There are no HR implications arising from the CRR update report.		
HR Partner: Head of Human Resources. 17 th August 2018.		
EDM Sign-off	Denise Murray	8 Aug 2018
Cabinet Member sign-off	Cllr. C. Cheney	20 Aug 2018
CLB Sign-off	Denise Murray	21 Aug 2018
For Key Decisions - Mayor's Office sign-off	Mayor's Office	31 Aug 2018
Appendix A – Further essential background / detail on the proposal Appendix A: The Corporate Risk Register Summary Report Pages (1 to23), the Performance Risk Summary (page 24 to 25), the Risk Rating Matrix and Scoring Criteria (pages 26 to 27).		YES
Appendix B – Details of consultation carried out - internal and external		NO
Appendix C – Summary of any engagement with scrutiny		NO
Appendix D – Risk assessment		NO
Appendix E – Equalities screening / impact assessment of proposal		NO
Appendix F – Eco-impact screening/ impact assessment of proposal		NO
Appendix G – Financial Advice		NO
Appendix H – Legal Advice		NO
Appendix I – Combined Background papers		NONE
Appendix J – Exempt Information		NO
Appendix K – HR advice		NO
Appendix L – IT		NO