Decision Pathway Report

PURPOSE: For reference

MEETING: Cabinet

DATE: 03 December 2019

TITLE	Corporate Risk Management Report (CRR)	
Ward(s)	City Wide	
Author: Jan Cadby		**Job title: Risk and Insurance Manager**
Cabinet lead: Councillor Cheney		**Executive Director lead: Mike Jackson / Denise Murray**
Proposal origin: BCC Staff		
Decision maker: Cabinet Member **Decision forum:** Cabinet		
Purpose of Report: Managing risks are an integral element to the achievement of the Bristol City Council's (BCC) Corporate Strategy (CS) 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 2019-20. The Q2 Corporate Risk Management Report will be presented to Cabinet in December 2019. The Corporate Risk Report (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. 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. The CRR provides assurance to management and Members that Bristol City Council's significant risks have been identified and arrangements are in place to manage those risks within the tolerance levels agreed. It should be noted that 'risk' by definition includes both threats and opportunities, which is reflected in the CRR. The CRR summary of risks is 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 October 15th 2019.		
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). Ensuring that the Service Risk Registers (SRR), Directorate Risk Reports and the Corporate Risk Reports (CRR) are 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. The registers and reports are a management tool. They need 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.		
Cabinet Member / Officer Recommendations That Cabinet note the report and progress on embedding Risk Management arrangements within the Council.		
Corporate Strategy alignment: Managing risks are an integral element to the achievement of the BCC Corporate Strategy (CS) deliverables.		
City Benefits: Risk Management aims to maximise achievement of the council's aims and objectives by reducing the risks to those achievements and maximising possible opportunities that arise.		

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Consultation Details:

1. Corporate Risk Report- Summary of Corporate Risks:

The CLB reviewed the CRR in October 2019 and accepts it as a working summary report of the critical and significant risks from the Service Risk Registers.

The CRR sets out the significant critical and high rated risks both threats and opportunities. All other business risks reside on the Service Risk Registers and reported in through the Directorate Risk Reports and the Corporate Risk Report.

The Corporate Risk Report (CRR) as October 2019 contains:

Threat Risks	Opportunity Risks	External / Contingency Risks
• 0 critical threats • 17 high rated • 6 medium • 1 new risk • 3 improving • 0 deteriorating • 0 closed	• 1 significant opportunity • 2 high • 1 medium • 1 improving • 0 deteriorating • 0 closed	• 2 high threats • 0 improving • 0 deteriorating • 0 closed

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

There is one new threat risk:

- CRR30: Clean Air - Failure to deliver Bristol City Council's wider Clean Air Plan (excluding traffic clean air zone). Communication /engagement with stakeholders do not result in sufficient behavioural change. The risk rating being 3x5= (15) high risk. This risk is managed and monitored within the Growth and Regeneration Service Risk Registers.

There are three improving threat risks:

- CRR3: Asbestos - Failure to manage the asbestos management plan for properties. The risk rating being 2x7= (14) high risk. This risk is managed and monitored within the Resources Service Risk Registers.

- CRR4: Health, Safety and Wellbeing - If the City Council does not meet its wide range of Health & Safety requirements then there could be a risk to the safety of employees, visitors, contractors, citizens and BCC corporate body. The risk rating being 2x7= (14) high risk. This risk is managed and monitored within the Resources Service Risk Registers.

- CRR5: Business Continuity and Council Resilience - If the council has a Business Continuity disruption and is unable to ensure the resilience of key BCC operations and business activities, then the impact of the event may be increased with a greater impact on people and council Services. The risk rating being 2x5= (10) medium risk. This risk is managed and monitored within the Growth and Regeneration Service Risk Registers.

There is one improving opportunity risk:

- OPP1: One City - The One City Approach will offer a new way to plan strategically with partners as part of a wider city system. The risk rating being 3x7= (21) high risk. This risk is managed and monitored within the Resources Service Risk Registers.

The risks BCCC2/OPP4 - Brexit is an unpredictable external threat and opportunity, and because of this the reporting for these entries may already be out of date. This is being managed within the Resources Service Risk Registers via a council-wide Brexit Project Board (for general preparedness) and Brexit Coordination Group (a tactical response group to manage any immediate issues presented in a 'no deal' scenario).

All risks on the CRR have management actions in place. The CRR will continue to be subject to a refresh during 2019.

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 D: The summary of the threat risks are set out on pages 1 to 22, opportunity risks pages 23 to 24, and external and civil contingency risks on page 25 and 26 all including controls and management actions. A summary of risk performance on pages 27 to 28 by level of risk, the risk matrix on page 29 and the risk scoring criteria on page 30. More detail is available on request.

2. Risk Management Framework

Risk management is the culture, process and structures 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. The Annual Governance Statement (AGS) declaration for 2018-19 highlighted a number of opportunities to enhance Risk Management. Areas for improvement include:

- Increasing the level of engagement and ownership by Service Managers.
- Enhancing the engagement of Members in the risk management process.
- Refreshing the Corporate and Directorate Risk Registers.
- Risk Management training and awareness.
- Risk Management within Business Case approvals, Project Management and Procurement Frameworks.
- Maintaining the focus of the process on reducing risk against the council's Corporate Plan 2018-23.

The risk management process continues to be developed over the year. During this quarter we have:

- Risk Management has been integrated into the Service Planning Process to aid decision making and will inform on the annual Budget Risk Register.
- Refreshed the SharePoint page to include a Service Risk Register guidance document.
- The Risk and Insurance Team have overseen a Risk Review of the Highways which received a good rating from the Councils Insurers Zurich Municipal.
- An additional resource has been sourced to assist the Risk and Insurance Manager to further embed Risk Management principles and practices within the council.

Revenue Cost	£0	Source of Revenue Funding	N/A
Capital Cost	£0	Source of Capital Funding	N/A
One off cost ☐ Ongoing cost ☐		Saving Proposal ☐ Income generation proposal ☐	

Required information to be completed by Financial/Legal/ICT/ 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: Michael Pilcher, Chief Accountant, Deputy Section 151 Officer 15th November 2019.
2. Legal Advice: There are no specific legal implications in the report. The CRR enables the council to monitor and manage identified risks and mitigations to ensure good governance and compliance with its statutory and other duties.
Legal Team Leader: Nancy Rollason, Head of Legal Service and Deputy Monitoring Officer 15th November 2019.
3. Implications on IT: The CRR contains a number of references to IT as well as other areas of the Council. These IT elements are being managed and addressed as stated within the register. The accountable Directors for IT and Information Security Risks are working together developing a training plan and new processes to accelerate the necessary changes.
IT Team Leader: Simon Oliver, Digital Transformation Director 15th November 2019.

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 report.		
HR Partner: Mark Williams, Head of Human Resources 15th November 2019.		

EDM Sign-off	Denise Murray	2/10/19
Cabinet Member sign-off	Cllr. C. Cheney	14/10/19
CLB Sign-off	Denise Murray	15/10/19
For Key Decisions - Mayor's Office sign-off	Mayor's Office	28/10/19

Appendix A – Further essential background / detail on the proposal: Q2 2019/20 Corporate Risk Report (CRR) The corporate risk summary report sets out the risks on pages 1 to 26 including controls and management actions, a summary of risk performance on page 27 and 28, the risk matrix on page 29 and the risk scoring criteria on page 30.	**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 – Exempt Information	**NO**
Appendix J – HR advice	**NO**
Appendix K – ICT	**NO**