Growth and Regeneration Scrutiny Commission

14th September 2020

Report of: **Executive Director Growth and Regeneration**

Title: **Growth and Regeneration Directorate Risk Report Update**

Ward: **Citywide**

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Recommendation

The Growth and Regeneration (G&R) Commission are asked to consider the quarter 1 2020-21 review of the G&R Directorate Risk Report and comment on any areas of interest.

Summary

The risks defined in this report are captured by service sections with the G&R Directorate:

The following represent the most the key risks for G&R as at June 2020:

Threats
1) G&R failure to meet income targets as a result of COVID-19
2) Failure to deliver enough affordable Homes to meet the City's needs
3) Delivery of the Future Parks Project
4) Long Term Commercial Investments and Major projects Capital Investment
5) Homelessness
6) Capital Transport Programme Delivery

External and Civil Contingency risks
1) Covid-19
2) Flooding

1. **Policy**

    1.1. The Audit Committee is responsible for providing independent assurance to the Council regarding the effectiveness of its strategic risk management arrangements. The Council has a Risk Management Assurance Policy which requires strategic risks to the Council, and details of how they are managed, to be recorded in the form of the Corporate Risk Report and Directorate Risk Report.

    1.2. The Corporate Risk Report is scrutinised by the Audit Committee on a quarterly basis, it was agreed at Overview and Scrutiny Management Board, that the Directorate Risk Registers will also be scrutinised by each Directorate scrutiny quarterly. The Directorate Risk Reports will also be available to the Audit Committee to provide the Audit Committee with assurance that Directorate Risk Reports are in place and effectively scrutinised.

2. **Risk Management and the Corporate Risk Report (CRR)**

    1.3. As part of good governance, the Council manages and maintains a register of its significant risks within the Service Risk Registers (SRR) assigning named individuals as responsible officers for ensuring the risks and their treatment measures are monitored and effectively managed.

    1.4. The Corporate Risk Report (CRR) is a critical tool for capturing and reporting on risk activity, the organisations risk profile and an integral element of the Council's internal governance and performance frameworks. The attached Directorate Risk Report sets out a summary from the SRRS which are the working documents. The data within the SRRs is used to inform the business of the threats and opportunities it faces in delivering outcomes and services to the Council. It is used to ensure the organisation operates effectively and Leadership Teams take assurance that all necessary steps are being taken to ensure the risks are managed to a level acceptable to them. The Corporate Risk Report was last reported to Cabinet on 1st September 2020 and will be reported to the Audit Committee on 28th September 2020.

3. **Consultation**

    a. **Internal -** First to fourth tier managers, Leadership Team, Corporate Leadership Team, Cabinet Member, Finance, Governance and Performance.
    b. **External -** None

4. **The G&R Directorate Risk Report (DRR)**

    4.1. The DRR informs the council on significant risks to the achievement of the G&R Directorate Objectives 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 DRR provides assurance to management and Members that the G&R significant risks have been identified and arrangements are in place to manage those risks within the tolerance levels agreed.

    4.2. The DRR is an important tool in managing risk. It aims to provide an overview of the significant risks facing G&R and how they are being managed. The DRR attached to this report at Appendix A is the latest formal iteration following a review by members of the council's G&R Executive Directors Management Team (EDM) in June 2020. The risk review has included

managers from across the Council.

4.3. The DRR was reviewed by the G&R EDM in June 2020. The directorate reports quarterly to Members, ensuring that they are aware of the critical and high level risks facing the directorate and how the council are ensuring these risks are effectively managed.

4.4. As strategic planning, resource management and resilience processes are strengthened; the identification, management and communication of risk to the achievement of the Council's strategic priorities and objectives will continue to embed.

4.5. The DRR was developed following:

- Risk identification and assignment of a risk owner who is responsible to ensure each risk is effectively managed; current mitigations and further strategies to manage risk are in place to ensure the risk is identified and interventions planned,
- Review by EDM to ensure risk levels are correctly identified; and tolerance risk levels where stated are acceptable.

4.6. The G&R Directorate Risk Report is attached at Appendix A. The register is presented in the standard format agreed by CLB and uses the risk management methodology in the Risk Management Assurance Policy agreed by Cabinet in January 2019.

4.7. Appendix A the risk matrix, guidance parameters used to measure likelihood and impact and the supporting scoring criteria are set out on pages 14 and 15 and will assist Members in understanding risk levels recorded in the report.

4.8. The DRR sets out the critical and high rated risks. All other business risks reside on the Resource Service Risk Registers (SRR). The G&R Directorate Risk Report (DRR) as June 2020 contains:

Threat Risks	External / Contingency Risks
• 2 critical • 11 high • 0 medium • 1 low • 4 new • 2 improving • 2 deteriorating • 1 closed	• 1 critical • 1 high • 0 medium • 0 low • 0 new • 0 improving • 0 deteriorating • 0 closed

4.9. The following paragraphs summarise the key changes to the G&R Risk Register since its last presentation:

Critical threat risks

There are two critical threat risks:

- GDRR10: Failure to deliver enough affordable Homes to meet the City's needs. The risk rating being 4x7 (28) critical risk. This risk is managed within the Development of Place Service Risk Registers.

- GDRR11: G&R failure to meet income targets as a result of COVID-19. The risk rating being 4x7 (28) critical risk. This risk is managed within the Directorate Service Risk Registers. This risk forms part of CRR13: Financial Framework and MTFP risk as reported in the Quarter 1 Corporate Risk Report to Cabinet September 2020.

There are four new threat risks:
- GDRR11: G&R failure to meet income targets as a result of COVID-19. The risk rating being 4x7 (28) critical risk. This risk is managed within the Directorate Service Risk Registers.

- GDRR13: Delivery of Future Parks Project. The risk rating being 3x7 (21) high risk. This risk is managed within the Management of Place Service Risk Registers.

- GDRR15: Homelessness: The risk rating being 4x5 (20) high risk. This risk is managed within the Director Housing Service Risk Registers.

- GDRR14: Delivery of Future Parks Project. The risk rating being 3x7 (21) high risk. This risk is managed within the Management of Place Service Risk Registers.

- GDRR13: Parks and spaces Asset deterioration and failure. The risk rating being 3x5 (15) high risk. This risk is managed within the Management of Place Service Risk Registers.

There are two deteriorating threat risks:

- GDRR10: Failure to deliver enough affordable Homes to meet the City's needs. The risk rating being 4x7 (28) critical risk. This risk is managed within the Development of Place Service Risk Registers.

- GDRR3: Business Continuity and Council Resilience. The risk rating being 2x7 (14) high risk. This risk is managed within the Management of Place Service Risk Registers.

There are two improving threat risks:

- GDRR9: Failure to deliver the council's Climate Change commitments impeding achievement of a carbon neutral and climate resilient city. The risk rating being 2x7 (14) high risk. This risk is managed within the Development of Place Service Risk Registers.

- GDRR8: Failure to deliver Bristol City Council's wider Clean Air Plan. Communication/engagement with stakeholders does not result in sufficient behavioural change (excluding traffic clean air zone). The risk rating being 1x3 (3) low risk. This risk is managed within the Development of Place Service Risk Registers.

There is one closed threat risks:

- Failure to Deliver Joint Spatial Plan (JSP). The JSP is no longer proceeding and plans are progressing for a Mayoral Spatial Development Strategy.

All identified risks were reviewed in light of the revised scoring and set the performance for future reviews. All risks on the G&R DRR have management actions in place. The DRR is currently subject to a refresh during 2020.

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 risks are set out on pages 1 to 12 including controls and management actions, a summary of risk performance on page 13, the risk matrix on page 14 and the risk scoring criteria on page 15. A more in-depth risk register is available on request.

5. Public Sector Equality Duties

5a) Before making a decision, section 149 Equality Act 2010 requires that each decision-maker considers the need to promote equality for persons with the following "protected characteristics": age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation. Each decision-maker must, therefore, have due regard to the need to:

   i)   Eliminate discrimination, harassment, victimisation and any other conduct prohibited under the Equality Act 2010.

   ii) Advance equality of opportunity between persons who share a relevant protected characteristic and those who do not share it. This involves having due regard, in particular, to the need to --

   -   remove or minimise disadvantage suffered by persons who share a relevant protected characteristic;

   -   take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of people who do not share it (in relation to disabled people, this includes, in particular, steps to take account of disabled persons' disabilities);

   -   encourage persons who share a protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.

   iii) Foster good relations between persons who share a relevant protected characteristic and those who do not share it. This involves having due regard, in particular, to the need to –
      - tackle prejudice; and
      - promote understanding.

5b)   No equalities assessment necessary for this report.

Appendices:

Appendix A – G&R Directorate Risk Report - The summary of the risks are set out on pages 1 to 12 including controls and management actions, a summary of risk performance on page 13, the risk matrix on page 14 and the risk scoring criteria on page 15. A more in-depth risk register is available on request.

LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985
Background Papers:

Risk Management Assurance Policy