

Decision Pathway Report



PURPOSE: For reference

MEETING: Cabinet Board

DATE: 01 December 2020

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			
<p>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 2020-21. The Q2 Corporate Risk Management Report will be presented to Cabinet in December 2020.</p> <p>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.</p> <p>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.</p> <p>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) in October 2020.</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 Service Risk Registers (SRR), Directorate Risk Reports (DRR) 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.</p> <p>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.</p>			
Cabinet Member / Officer Recommendations: That Cabinet notes 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.			

Summary

Corporate Risk Report (CRR) - Summary of Corporate Risks:

Members of the Executive Director Meetings (EDM) reviewed the Directorate Risk Reports (DRR) in October 2020 to form the CRR. The Mayor's Office was consulted in November 2020. CLB are asked to accept the attached CRR as a working summary report of the critical and significant risks from the Service Risk Registers as at end of September 2020. The report was received by the Mayor's Office 29th October 2020.

The CRR sets out the critical, significant and high rated risks both threats and opportunities. All other business risks reside on the Service Risk Registers and reported through the DRRs.

The Q2 20-21 Corporate Risk Report (CRR) as end September 2020 contained:

Threat Risks	Opportunity Risks	External / Contingency Risks
<ul style="list-style-type: none">• 1 critical• 17 high• 1 new• 4 improving• 5 deteriorating• 0 closed• 5 De-escalated to Directorate Risk Report	<ul style="list-style-type: none">• 1 significant• 2 high• 0 new• 0 improving• 0 deteriorating• 0 closed	<ul style="list-style-type: none">• 1 critical• 2 high• 0 new• 0 improving• 0 deteriorating• 0 closed

A summary of risks (Threat and Opportunities) for this reporting period are set out below.

There is one critical threat risk:

- CRR32: Failure to deliver enough affordable Homes to meet the City's needs. The risk rating being 4x7 (28). This risk is managed on the Growth and Regeneration Service Risk Registers.

There are four improving threat risks:

- CRR13: Financial Framework and MTFP. The risk rating being 3x7 (21) high threat risk. This risk is managed on the Resources Service Risk Registers.
- CRR2: Asbestos. The risk rating being 2x5 (10) medium threat risk. This risk is managed on the Resources Service Risk Registers.
- CRR27: Capital Transport Programme Delivery. The risk rating being 3x3 (9) medium risk. This risk is managed on the Growth and Regeneration Service Risk Registers.
- CRR34: Corporate Equalities. The risk rating being 2x5 (10) medium threat risk. This risk is managed on the Resources Service Risk Registers.

There are five deteriorating threat risks:

- CRR4: Corporate Health, Safety and Wellbeing. The risk rating being 4x5 (20) high threat risk. This risk is managed on the Resources Service Risk Registers.
- CRR5: Business Continuity and Council Resilience. The risk rating being 3x7 (21) high risk. This risk is managed on the Growth and Regeneration Service Risk Registers.
- CRR9: Safeguarding Vulnerable Children. The risk rating being 3x7 (21) high risk. This risk is managed on the People Service Risk Registers.
- CRR10: Safeguarding Adults at Risk with Care and support needs. The risk rating being 3x7 (21) high risk. This risk is managed on the People Service Risk Registers.
- CRR12: Failure to deliver suitable emergency planning measures, respond to and manage emergency events when they occur. The risk rating being 3x7 (21) high risk. This risk is managed on the Growth and Regeneration Service Risk Registers.

There is one new threat risk:

- CRR39: Adult and Social Care major provider / supplier failure. The risk rating being 2x7 (14) high risk. This risk is managed on the People Service Risk Registers.

There are five threat risks de-escalated, monitored and managed through the Directorate Risk Reports:

- CRR22: Partnerships Governance. 2x3 (6) medium risk. This risk is managed on the Growth and Regeneration Service Risk Registers.
- CRR24: Procurement and Contract Management failure to deliver value for money. 2x7 (14) high risk. This risk is managed on the Resources Risk Registers.
- CRR30: 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 on the Growth and Regeneration Service Risk Registers.
- CRR31: Failure to deliver the council's Climate Change commitments impeding achievement of a carbon neutral and climate resilient city. The risk rating being 1x7 (7) medium risk. This risk is managed on the Growth and Regeneration Service Risk Registers.
- CRR38: City Leap. The risk rating being 2x7 (14) high risk. This risk is managed on the Growth and Regeneration 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. These risks are 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).

The external / contingency risk BCCC3: COVID -19 reflects the positive action and pace of change the Council has adapted to delivering its services. This risk is being overseen by the Corporate Leadership Team, Gold Meetings and within the Growth and Regeneration Directorate by the Resilience Director.

All risks on the CRR have management actions in place. The CRR will continue to be 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.

The summary of the threat risks is set out on pages 1 to 19 opportunity risks pages 20 to 21, and external and civil contingency risks on page 22 and 23 all including controls and management actions. A summary of risk performance on pages 24 and 25 by level of risk, the risk matrix on page 26 and the risk scoring criteria on page 27. More detail is available on request.

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 highlighted a number of opportunities to enhance Risk Management. Areas for improvement included:

- 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 Reports.
- 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 Audit was allocated a Limited Opinion as at June 2020. Areas to improve include:

- Engagement with the timeliness, completion and accuracy of Service Risk Registers.
- Risk Management within Decision Making, Business Case approvals, Project Management and Procurement Frameworks.

The risk management framework and process continues to be developed. During 2020/21 we have:

- Managed, maintained and communicated Risk Management on the SharePoint and via Internal Communications.
- Offered workshops and drop-in sessions.
- Reviewed and relaunched the Corporate Risk Management Board (CRMB). Resources representatives are

Chief Accountant (deputy S151) and Risk and Insurance Manager.

- Supported Managers for Covid 19 related queries.
- Procured the Risk Management Database.
- Directorate Risk Reports received by Scrutiny.

Plans for 2020/21 include:

- Mandatory Risk Management ELearning for key staff.
- Annual Risk Management Maturity Assessment.
- Directorate Risk Reports received by Scrutiny.
- Approach to management of risk reporting to CLB from the Corporate Risk Management Board.
- Member training.

Revenue Cost	£0	Source of Revenue Funding	N/A
Capital Cost	£0	Source of Capital Funding	N/A
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/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. The Council should ensure it has sufficient resource available to implement actions required to bring risks down to a tolerable level.

Finance Business Partner: Michael Pilcher, Chief Accountant, Deputy Section 151 Officer, 16 November 2020.

2. Legal Advice: 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. Advice will be given separately in relation to any specific legal issues that may arise from the risks identified.

Legal Team Leader: Nancy Rollason, Head of Legal Service and Deputy Monitoring Officer, 29 October 2020.

3. Implications on IT: The accountable Directors for IT and Information Security Risks are continuing to work together developing a training plan and new processes to accelerate the necessary changes. As we continue to work through our legacy systems and processes, further risks with Applications and Data will surface which will need to be addressed by the relevant service areas – work continues to govern, allocate and mitigate these risks via formal ISO27001 framework.

IT Team Leader: Simon Oliver, Digital Transformation Director 30 October 2020.

4. HR Advice: It is essential that staffing resources are appropriately deployed to manage these risks that are highlighted and in particular the new and elevated risks that are identified in the report. There are no other HR implications arising from the CRR report.

HR Partner: HR Partner: Mark Williams, HR and Workforce, 17 November 2020.

Appendix A – Further essential background / detail on the proposal: Q2 2020/21 Corporate Risk Report (CRR) - The Corporate Risk Summary Report sets out the risks on pages 1 to 23 including controls and management actions, a summary of risk performance on page 24 and 25, the risk matrix on page 26 and the risk scoring criteria on page 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 – Exempt Information	NO
Appendix J – HR advice	NO
Appendix K – ICT	NO