



Place Scrutiny Commission

14th July 2016

Report of: Strategic Director - Place

Title: Directorate Risk Register Review March 2016

Ward: Citywide

Officer Presenting Report: Barra Mac Ruairi, Strategic Director - Place

Contact Telephone Number: 0117 352 5558

Recommendation

The Commission review and scrutinise the Directorate Risk Register as at 31st March 2016 which is attached to this report.

Summary

This report presents the Directorate Risk register. Going forward, Directorate Risk Registers will be reviewed by Directorate Leadership Teams on a quarterly basis and will be provided for scrutiny at six monthly intervals.

The significant issues in the report are:

- Corporate Risk in the context of Directorate risk consideration (Paragraph 4)
- Process for review of Directorate risks. (Paragraph 5.2)
- Issues arising from the Directorate Risk Register (Paragraph 5.5)
- The full directorate risk register (Appendix 1)



Policy

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 Policy which requires strategic risks to the Council, and details of how they are managed to be recorded in strategic risk registers – the Corporate and Directorate Risk Registers. Whilst the Corporate risk Register is scrutinised by the Audit Committee on a six monthly basis, it was agreed at Overview and Scrutiny Management Board, that the Directorate Risk Registers will be scrutinised by each Directorate scrutiny twice a year. They will however also be provided once each year to Audit Committee, for information (not scrutiny) to provide the Audit Committee with assurance that Directorate Risk Registers are in place and effectively scrutinised.*

Consultation

2. **Internal**
Directorate Leadership Team / Risk Owners / Cabinet Member - Place
3. **External**
Not applicable
4. **Background – Risk Management and the Corporate Risk Register**
 - 4.1. Risk is defined in the Risk Management Policy as ‘the chance of something happening that will impact (positively or negatively) on the achievement of the Council’s Objectives’. Risk Management is the planned and systematic approach to the identification, evaluation, prioritisation and control of risks and opportunities facing the Council Management.
 - 4.2. Risk Assessment is the measure of likelihood and impact on objectives of an uncertain action of event.
 - 4.3. The Corporate Risk Register (CRR) is an integral element of the Council’s Strategic Risk Management arrangements and aims to support the delivery of the Council’s objectives by setting out the strategic high level risks facing the Council in delivering its plans and how they are ensuring these risks are effectively managed.
 - 4.4. The CRR is used by the Strategic Leadership Team to monitor risk levels and take assurance that all necessary steps are being taken to ensure the risks are managed to a level acceptable to them.
 - 4.5. The CRR is currently under review but at this time includes the following risks:
 - **Safeguarding (Amber)** – The Council fails to ensure adequate safeguarding measures are in place, resulting in harm or death to a vulnerable adult or child.
 - **Organisational Achievement and Resilience (Amber)** - The Council fails to maximise opportunities afforded by the Single Change Programme to deliver and achieve the Mayoral

and corporate objectives and maintain its resilience into the future.

- **Governance (Amber)** - The Council fails to comply with internal controls and to effectively meet the framework of obligations within the statutory Annual Governance Statement and the Code of Corporate Governance.
- **Infrastructure (Red)** - The Council fails to generate the investment necessary to maximise its influence upon the delivery and maintenance of a sustainable infrastructure which will support the City to grow and prosper.
- **Community resilience (Red)** - Failure of the Council and the community at large to anticipate, sufficiently mitigate, respond to or recover quickly enough from a significant and unexpectedly disruptive event. This risk is focused on how the Council and communities can adapt to significant changes in society over time rather than focussing on the Council's physical infrastructure that is in place to contribute when such an event occurs – this is considered in risk 4 – Infrastructure.
- **Finance (Red)** - Failure to deliver robust Financial Plans that will secure ongoing financial resilience to deliver statutory services and mayoral priorities.
- **Educational Attainment (Amber)** - Failure to focus and prioritise resources to effect the changes necessary to ensure the equality of educational opportunities across all ages and all communities.
- **Demographic and Service Pressures (Amber)** - The Council fails to appropriately manage demand for its services and does not maximise all potential delivery methods to ensure that services are provided in the most cost effective way.
- **Devolution (Red)** - Failure of the Council to work with the neighbouring authorities and the community at large to maximise the benefits of the Government devolution agenda to the best advantage of the people of Bristol and across the West of England.
- **Delivery Democracy (Amber)** - Failure to deliver statutory elections and comply with all legal requirements.
- **Trading Company Operations (Amber)** - Successfully managing the trading companies where the Council is the majority Shareholder, or has an interest in the Company.

5. The Directorate Risk Register

- 5.1. As well as Corporate Risks, Directorate Risk Registers (DRR) detail risks faced by each Directorate. The DRR is owned by the Strategic Director and is used by the Directorate Leadership Team to ensure and monitor that risks are effectively managed.

5.2. The Directorate Risk Register was developed following:

- DLT Risk identification and assignment of a risk owner who is responsible to ensure each risk is effectively managed
- Detailed work with the Risk Owner to determine key current mitigations and further actions to ensure the risk is properly managed
- Re-review by DLT to ensure risk levels are correctly identified and target risk levels are acceptable

5.3. The Place Directorate Risk Register is attached as Appendix 1 for scrutiny. The register is presented in the standard format agreed by ELT / SLT and uses the risk management methodology in the risk management policy agreed by the SLT and the Audit Committee in November 2014. Appendix 2 provides helpful extracts from that policy to assist Members in understanding risk levels recorded in the register. The risk matrix, Guidance parameters used to measure impact and Guidance parameters used to measure likelihood.

5.4. The timing of presentation of the Directorate Risk Register to Scrutiny is such that the commission are also receiving information concerning Directorate performance at this meeting. It is envisaged that both the risk and performance information provided to the Committee should be reviewed together to aide effective challenge to both sets of information.

5.5. The Place Directorate Scrutiny Commission last received the Directorate Risk Register on 21st January 2016. The following paragraphs summarise the key changes to the risk environment since then:

5.6. No new risks have been identified and added to the register since the last review.

5.7. No risks have been removed from the register since the last review.

5.8. Risk levels have remained unchanged in the following areas:

5.8.1. Programme Delivery

5.8.2. Service Delivery (Staff Resources)

5.8.3. Service Delivery (Financial Resources)

5.8.4. Service Delivery (Governance)

5.8.5. Relocation of the Traffic Control Centre

5.8.6. Construction of the Hinkley Point Power Station

Other Options Considered

6. None necessary

Risk Assessment

7. Robust and effective strategic risk management arrangements are essential in helping the Council manage its business and deliver its priorities.

Public Sector Equality Duties

None necessary for this report

Legal and Resource Implications

Legal

None sought

Financial

(a) Revenue

None arising from this report

(b) Capital

None arising from this report

Land

Not applicable

Personnel

Not applicable

Appendices:

Appendix 1 – Place Directorate Risk Register

Appendix 2 – Risk Matrix, Guidance parameters used to measure impact and Guidance parameters used to measure likelihood

LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

Background Papers:

None