

Decision Pathway – Report



PURPOSE: For reference

MEETING: Cabinet

DATE: 14 December 2021

TITLE	Corporate Risk Management Report – Q2 2021/22		
Ward(s)	City wide		
Authors: Ben Hooper and Paul Dury	Job title: Risk and Insurance Senior Officers		
Cabinet lead: Councillor Cheney	Executive Director lead: Mike Jackson		
Proposal origin: BCC Staff			
Decision maker: For noting Decision forum: For noting			
Purpose of Report:			
<ol style="list-style-type: none"> The report provides an update current significant strategic risks to achieving the Council’s objectives as set in the Corporate Strategy 2018-2023 and summarises progress in managing the risks and actions being taken as at Quarter 22 2021-22. 			
Evidence Base:			
Context			
<ol style="list-style-type: none"> 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, budget setting, 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 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 (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. 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. 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. The CRR summary of risks is attached to this report at Appendix A is the latest position following a review by managers and Directors. 			

Corporate Risk Report - Summary of Corporate Risks:

7. Cabinet are asked to note the CRR as a working summary report of the critical and significant risks from the Service Risk Registers as at end of September 2021
8. 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.
9. Members of the EDM's reviewed the DRRs in October 2021 to form the CRR. Cabinet are asked to accept the attached CRR as a working summary report of the critical and significant risks from the Service Risk Registers.
10. 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 through the Directorate Risk Reports and the Corporate Risk Report.
11. The Q2 21-22 Corporate Risk Report (CRR) as at 30th September 2021 contained:

Threat Risks	Opportunity Risks	External / Contingency Risks
• 2 critical	• 0 significant	• 1 critical
• 18 high	• 1 high	• 1 high
• 3 medium	• 1 medium	• 0 medium
• 0 new	• 0 new	• 0 new
• 5 improving	• 0 improving	• 0 improving
• 2 deteriorating	• 1 deteriorating	• 0 deteriorating
• 1 de-escalating	• 1 de-escalating	• 0 de-escalating
• 0 closed	• 1 closed	• 1 closed

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

13. There are two critical threat risks:

- CRR32: Failure to deliver enough affordable Homes to meet the City's needs. The risk rating being 4x7 (28) critical threat risk. This risk is managed on the Growth and Regeneration Service Risk Registers.
- CRR9: Safeguarding Vulnerable Children. The risk rating being 4x7 (28) critical threat risk. This risk is managed on the People Service Risk Registers. The risk detail (including description) has been amended in Q2 and how we present this risk is being further reviewed in Q3.

14. There are 5 improving threat risks:

- CRR41: Long Term Major Capital projects. The risk rating being 4x5 (20) high threat risk. This risk is managed on the Growth and Regeneration Service Risk Registers.
- CRR29: Information Security Management System. The risk rating being 3x5 (15) high threat risk. This risk is managed on the Resources Service Risk Registers.
- CRR4: Corporate Health, Safety and Wellbeing. The risk rating being 3x5 (15) high threat risk. This risk is managed on the Resources Service Risk Registers.
- CRR26: ICT Resilience. The risk rating being 2x5 (10) medium threat risk. This risk is managed on the Resources Service Risk Registers.
- CRR23: Adult and Social Care (ASC) Transformation programme 2020/21 – 2021/2022. The risk rating being 3x5 (15) high threat risk. This risk is managed on the People Service Risk Registers.

15. There are two deteriorating threat risks:

- CRR39 Adult and Social Care major provider/supplier failure. The risk rating being 3x7 (21) high threat risk. This risk is managed on the People Service Risk Registers.
- CRR27 Capital Transport Delivery. The risk rating being 3x5 (15) high threat risk. This risk is managed on the Growth and Regeneration Service Risk Registers.

16. There is one opportunity risk de-escalating from the Q2 corporate risk report:

- OPP3 Devolution. The opportunity risk rating being 3x5 (15) high opportunity threat risk. This opportunity risk is managed on the Resources Service Risk Registers. This opportunity risk has been de-escalated to the directorate risk report (DRR) for Resources.

17. There is one closing external Threat Risk:
 - BCC2 Brexit. The risk rating being 2x5 (10) medium threat risk.
18. There is one closing Opportunity Risk:
 - OPP4 – Brexit. The opportunity risk rating being 1x5 (5) medium opportunity risk.
19. There is one de-escalating Threat Risk:
 - CRR42 – Provision of Leisure Service. The risk rating being 3x3 (9) medium threat risk.
20. The closed risks are now reflected within individual risks across the Council's Service Risk Registers.
21. The risk owner for the Covid-19 external risk has been reallocated to the Executive Director People and Director of Public Health from the Executive Director Growth and Regeneration and Director of Management of Place following discussions at EDM's in October 2021.
22. All risks on the CRR have management actions in place.
23. 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.

Cabinet Member / Officer Recommendations:

That Cabinet

1. Notes the current strategic risks and mitigating actions being taken to reduce to within tolerance.

Corporate Strategy alignment:

Managing risks are an integral element to the achievement of the BCC Corporate Strategy 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.

Consultation Details: none

Background Documents:

<https://democracy.bristol.gov.uk/documents/s28767/10 Appendix A - BD11378 - Risk Management Assurance Policy Jan 2019.pdf>

Revenue Cost	£	Source of Revenue Funding	Insert specific service budget name
Capital Cost	£	Source of Capital Funding	e.g. grant/ prudential borrowing etc.
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 02/12/2021

2. Legal Advice: The Corporate Risk Register 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 02/12/2021

3. Implications on IT: The Digital Transformation Team remain committed to undertaking the mitigation activities pertaining to the service risks. We are instigating additional dialogue around the Corporate approach to 'roll-up' risks such as Suitability of LOB systems, Cyber Security, and IT Resilience whereby ownership and mitigation activity should be led by the responsible service areas and reported individually. We are working with Risk colleagues to improve

the alignment of different risk registers and approaches and gain a single view of risk within the new risk management software tool.

IT Team Leader: Simon Oliver, Digital Transformation Director 02/12/2021

4. HR Advice: It is essential that staffing resources are appropriately deployed to manage risks and bring them to a tolerable level and in particular the critical risks that are identified in the report. There are no other HR implications arising from the CRR report.

HR Partner: Mark Williams, Head of Human Resources 02/12/2021

EDM Sign-off		27/10/2021
Cabinet Member sign-off		01/11/2021
For Key Decisions - Mayor's Office sign-off		01/12/2021

Appendix A – Further essential background / detail on the proposal	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
Appendix L – Procurement	NO