



# Decision Pathway – Report

**PURPOSE:** For reference

**MEETING:** Cabinet

**DATE:** 04 July 2023

<b>TITLE</b>	<b>Corporate Risk Management Report – Q1 2023/24</b>	
<b>Ward(s)</b>	City wide	
<b>Authors: Risk and Insurance Senior Officers</b>	<b>Job title: Risk and Insurance Senior Officers</b>	
<b>Cabinet lead: Councillor Cheney</b> - Deputy Mayor and Cabinet member for City Economy, Finance and Performance	<b>Executive Director lead: Stephen Peacock</b> - Chief Executive (Head of Paid Service)	
<b>Proposal origin:</b> BCC Staff		
<b>Decision maker:</b> For noting <b>Decision forum:</b> For noting		
<b>Purpose of Report:</b> 1. The report provides an update on current significant strategic risks to achieving the Council’s objectives as set in the Corporate Strategy 2022-2027 and summarises progress in managing the risks and actions being taken as at Quarter 1 2023-24.		
<b>Evidence Base:</b> <b>Context</b> 1. 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 2022-2027. 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. 2. 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. 3. The Accounts and Audit Regulations 2015 require that 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. 4. 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 effectively to minimise the impact. 5. The CRR summary of risks is attached to this report at Appendix A and is the latest position following a review by managers and Directors.  <b>Corporate Risk Report - Summary of Corporate Risks:</b> 6. Cabinet are asked to note the CRR as a working summary report of the critical and significant risks from the Service Risk Registers as of June 2023. 7. The CRR sets out the critical, significant, and high rated threats and opportunity risks. All other business risks reside on the Service Risk Registers.		

8. A programme of work has been undertaken to review and revise afresh each CRR risk description and the DMTs risk registers. The scope of this work included where possible the identification of new risks and a fresh look to confirm ongoing risks are current along with the actions to mitigate the risks
9. Members of EDM's reviewed the DRRs in May/June 2023 to form the CRR and the CRR was reviewed by CLB in June 2023. 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 Q1 23-24 Corporate Risk Report (CRR) as at June 2023 contained:

Threat Risks	Opportunity Risks	External / Contingency Risks
<ul style="list-style-type: none"> <li>▪ 2 Critical</li> <li>▪ 24 High</li> <li>▪ 3 Medium</li> <li>▪ 1 Low</li> <li>▪ 1 Improving</li> <li>▪ 2 Deteriorating</li> <li>▪ 1 Escalated from service risk register</li> </ul>	<ul style="list-style-type: none"> <li>▪ 1 High</li> <li>▪ 1 Deteriorating</li> </ul>	<ul style="list-style-type: none"> <li>▪ 1 High</li> <li>▪ 1 Medium</li> <li>▪ 1 Low</li> <li>▪ 2 Improving</li> </ul>

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

#### Threat Risks

12. There are two critical threat risks:

- 'CRR13 - Financial Framework and Medium-Term Financial Plan (MTFP)' The risk rating being  $4*7 = 28$  critical threat risk. This risk is managed on the Resources Service Risk Register.
- 'CRR55 - Children placed in unregistered provision may be at risk'. This is an escalated threat risk from Children Services. The risk rating being  $4*7 = 28$  critical threat risk. (New). We are still exploring the insurance position, waiting for feedback from Zurich Municipal Underwriting Services.

13. There is one improving threat risks within the report:

- 'CRR15 – Possible In-Year Financial Deficit' The risk has a rating of  $4*7 = 28$  critical, downgraded during P1 to a rating of  $2*7=14$ , following setting a balanced budget for the year, and then re-assessed and increased to  $3*7=21$  following P2/Q1 forecast financial position now being reported. This risk is managed on the Resources Service Risk Register.

14. There are two deteriorating threat risks within the report:

- 'CRR10 - Safeguarding Adults may be at Risk with Care and support needs.' The risk rating is  $7*3 = 21$  High Risk Level, deteriorating from a  $5*3 = 15$  High Risk Level.
- 'CRR5 - Business Continuity and Operational Resilience may not be effective'. The risk is  $7*2 = 14$  High Risk Level, deteriorating from a  $5*2 = 10$  High Risk Level.

#### Opportunity Risks

15. There is one deteriorating opportunity risks within the report:

- 'OPP1 - Possible Impact of One City Approach' The risk rating is  $7*2 = 14$  High Risk Level, deteriorating from a  $7*3 = 21$  High Risk Level.

#### External and Civil Contingency Risks

16. There are two improving external threat risks within the report:

- 'BCCC5 - Cost of Living Crisis may have major impact on Citizens and Communities'. This risk has a risk rating of  $4*7 = 28$  Critical threat risk to  $3*4 = 12$  Medium threat risk
- BCCC4 - Possible Increase in Winter diseases including COVID-19 and Flu (formerly COVID-19 Population Health). This risk has a risk rating of  $3*3 = 9$  Medium threat risk to  $1*3 = 3$  Low threat risk

Additional Information:

- For more detail on individual risks and their management, please see the attached Appendix A.

- The closed risks are now reflected within individual risks across the Council’s Service Risk Registers.
- All risks on the CRR have management actions in place.
- 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.
- Risks are escalated to the Corporate Risk Report (CRR) if the risk scores higher than a 20 or if a risk is determined by CLB to remain on the corporate risk report due to monitoring its significance to the councils aims and objective.

**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>

<b>Revenue Cost</b>	£	<b>Source of Revenue Funding</b>	Insert specific service budget name
<b>Capital Cost</b>	£	<b>Source of Capital Funding</b>	e.g. grant/ prudential borrowing etc.
<b>One off cost</b> <input type="checkbox"/>	<b>Ongoing cost</b> <input type="checkbox"/>	<b>Saving Proposal</b> <input type="checkbox"/>	<b>Income generation proposal</b> <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 for these risks is made through the budget planning process. The Council should ensure it has sufficient resource available to implement actions required to bring risks down to a tolerable level. This report highlights a number of critical financially related risks which will need to continue to be addressed and mitigated through planned improvements collectively owned by the leadership, refresh to the financial outlook through the MTFP, continued robust financial monitoring throughout the financial year, as well as the Council maintaining minimum reserves levels in line with the s151 officer review of financial risk in the budget taken in February 2023.

**Finance Business Partner: Olu Kupoluyi, Finance Business Partner Resources. 16<sup>th</sup> June 2023**

**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. 15<sup>th</sup> June 2023**

**3. Implications on IT:** The Digital Transformation Team remain committed to undertaking and/or supporting the mitigation activities pertaining to the service risks. We provided identified those LOB systems that pose the greatest risk and made their details available to be incorporated on the risk registers of the area that own them, this includes details inherent in the risk such as; Cyber Security, and IT Resilience whereby ownership and mitigation activity should be led by the responsible service areas and reported individually.

**IT Team Leader: IT Team Leader: Gavin Arbuckle, Head of Service Operations. 16<sup>th</sup> June, 2023**

<b>4. HR Advice:</b> No HR implications of the recommendation.		
<b>HR Partner: James Brereton, Head of HR. 19th June 2023</b>		
<b>EDM Sign-off</b>	Resources EDM	14/06/2023
<b>Cabinet Member sign-off</b>	Cllr Cheney, Deputy Mayor and Cabinet member for City Economy, Finance and Performance	13/06/2023
<b>For Key Decisions - Mayor's Office sign-off</b>	Mayor's office	05/06/2023

<b>Appendix A – Further essential background / detail on the proposal</b> Q1 Corporate Risk Report 2023-2024	<b>YES</b>
<b>Appendix B – Details of consultation carried out - internal and external</b>	<b>NO</b>
<b>Appendix C – Summary of any engagement with scrutiny</b>	<b>NO</b>
<b>Appendix D – Risk assessment</b>	<b>NO</b>
<b>Appendix E – Equalities screening / impact assessment of proposal</b>	<b>NO</b>
Appendix F – <a href="#">Eco-impact screening/ impact assessment of proposal</a>	<b>NO</b>
<b>Appendix G – Financial Advice</b>	<b>NO</b>
<b>Appendix H – Legal Advice</b>	<b>NO</b>
<b>Appendix I – Exempt Information</b>	<b>NO</b>
<b>Appendix J – HR advice</b>	<b>NO</b>
<b>Appendix K – ICT</b>	<b>NO</b>
<b>Appendix L – Procurement</b>	<b>NO</b>