

Resources Scrutiny Commission

21st November 2023



Report of: Risk and Insurance Senior Officer

Title: Resource Risks on the Corporate Risk Management Report – Q2_2023/24

Ward: Citywide

Officer Presenting Report: Risk and Insurance Senior Officer

Recommendation

For the Resources Scrutiny Commission to note the attached Resources Risks from Corporate Risk Management Report Q2 2023/24 and Appendix A – Resources Directorate risks from the Corporate Risk Report that contains a summary of Resources Risk contained within the Corporate Risk Report that went to Cabinet on 7th of November 2023.



1. Policy

- 1.1. 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). The Council is required to comment on the effectiveness of its arrangements in this regard. The statement must also identify any significant governance issues that may have resulted from failures in governance and risk management.
- 1.2. Risk Management is an integral part of good governance to which the Council is committed. Risk Management provides the framework and processes that enables the Council to manage uncertainty in a systematic way. As part of the Risk Management arrangements the Council reviews the Risk Management Assurance Policy on an annual basis.
- 1.3. It is considered good practice to regularly review and update the Risk Management Assurance Policy to ensure it strengthens the Council's approach to its risk management and assurance arrangements.
- 1.4. Ensuring that the Corporate Risk Report (CRR) is 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.
- 1.5. The CRR provides assurance to management and Members that the Bristol City Council's significant risks have been identified and arrangements are in place to manage those risks within the tolerance levels agreed.
- 1.6. The CRR is a management tool and needs 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.
- 1.7. The CRR has been prepared and presented in line with the Risk Management Assurance Policy that was approved by Cabinet in January 2019.

2. Consultation

- 2.1 Internal - First to fourth tier managers, Extended Leadership Team, Corporate Leadership Team, Cabinet Member, Finance, Governance and Performance.
- 2.2 External - None

3. Context

Corporate Risk Register (CRR)

- 3.1. 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 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.
- 3.2. 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.

- 3.3. 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.
- 3.4. 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 and communicated to minimise the impact.
- 3.5. The CRR summary of Q2 Resources risks is attached to this report at Appendix A is the latest position of resources corporate risks following a review by managers and Directors

Summary of Resources Corporate Risks:

- 3.6. 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.
- 3.7. The Q2 23-24 Corporate Risk Report (CRR) as at 7th November 2023 contained the following risks that are the responsibility of the Resources directorate:

Threat Risks	Opportunity Risks	External / Contingency Risks
<ul style="list-style-type: none"> • 0 critical • 8 high • 2 medium • 0 new • 2 improving • 1 deteriorating • 0 closed 	<ul style="list-style-type: none"> • 0 significant • 1 high • 0 medium • 0 new • 0 improving • 0 deteriorating • 0 closed 	<ul style="list-style-type: none"> • 0 critical • 0 high • 0 medium • 0 new • 0 improving • 0 deteriorating • 0 closed

- 3.8. A summary of risks (Threat and Opportunities) for this reporting period are set out below (please see Appendix A for more information on the Resources corporate risks and their management)

Improving Risks

There are two improving threat risk:

- 3.9. CRR13 - Possible Financial Framework and Medium-Term Financial Plan (MTFP) Failure: The risk rating has improved from 4*7 = 28 Critical to 3*7 = 21 High due to processes and controls in place to enable the MTFP and budget to be developed and approved are robust.
- 3.10. CRR49 – Potential Impact of Weak Workforce Resilience: The risk rating improved 5*4 = 20 High to 3*3 = 9 Medium as the internal controls in place are effective; and targeted work is in place to support services at a higher risk around workforce resilience.

Deteriorating Risks

- 3.11. CRR4 – Possible failure to Deliver an effective Corporate Health, Safety and Wellbeing Framework: The risk rating increased from 5*2 = 10 Medium to 5*3 = 15 High following a

review of the current approach to managing some key areas of health and safety risks, including those in Property and the new Building Safety Act.

3.12. All risks on the CRR have management actions in place.

3.13. 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.

4. Proposal

- Resources Scrutiny Commission review and comment upon the Appendix A – Resources risks from the Corporate Risk Report as a source of assurance that risk management arrangements are in place.

5. Other Options Considered

5.1 None necessary. Having robust risk management processes in place is a requirement of the City Council. The CRR has been developed in line with the Risk Management Assurance Policy.

6. Risk Assessment

6.1. The Risk Management Assurance Policy and the CRR will further develop risk management assessment within the City Council, and help the management of risk arrangements embed.

7. Summary of Equalities Impact of the Proposed Decision

No Equality Impact anticipated from this report.

8. Legal and Resource Implications

Legal - Not Applicable

Financial - Not Applicable

Land - Not Applicable

Personnel - Not Applicable

Appendices:

Appendix A – Q2 Corporate Risk Report Resource Risks 2023-2024

LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

Background Papers:

Risk Management Assurance Policy.