Herefordshire Council

Meeting:	**Audit & Governance Committee**
Meeting date:	**28 January 2020**
Title of report:	**Corporate Risk Register**
Report by:	**Head of Corporate Performance**

Classification

Open

Decision type

This is not an executive decision

Wards affected

(All Wards);

Purpose and summary

To consider the status of the council's corporate risk register in order to monitor the effectiveness of risk management within the Performance, Risk and Opportunity Management framework.

Recommendation(s)

That:

> **the committee determine any recommendations it wishes to make to ensure effective risk management**

Alternative options

1. The committee could choose not to monitor the corporate risk register; however this would not be recommended as regular monitoring provides assurance that risk is being managed effectively within the council.

Key considerations

2. In accordance with the Performance, Risk and Opportunity Management (PROM) framework, it is the committee's role to ensure that risk management is effectively managed and in line with the processes set out in the PROM.

3. The PROM requires that a corporate risk register is compiled from high-level, organisation-wide risks which require strategic management and risks identified at an operational level that have been escalated; either where mitigating activity controlled within the directorate is not able to contain the risk, or where additional resources might be required to control the risk.

4. Entries within the corporate risk register reflect risks identified by management board and are endorsed by cabinet, thereby strengthening their strategic perspective, management response and controls, and increasing organisational awareness.

5. The inclusion of risks within any level of risk register indicates that officers are aware of the potential risks and mitigation strategies and controls are in place.

6. Each risk within directorate or corporate risk registers is scored to provide an assessment of the level of risk. All risks are score based on an assessment of the impact and likelihood. Scoring criteria is set out within the PROM. These assessments are made at two points; before actions are put in place (inherent risk); and after identified controls are in place (residual risk).

7. Whatever level of residual risk remains, it is essential that the controls identified are appropriate, working effectively and kept under review.

Current Risks

8. The risk "heat map" below shows the current risks identified on the corporate risk register at the end of December 2019. Full details of the risks below are found in Appendix 1.

		Impact				
		1 Insignificant	2 Minor	3 Moderate	4 Major	5 Significant
Likelihood	5 Certain					
	4 Likely			CRR.11	CRR.02, CRR.03, CRR.04, CRR.36	CRR.01, CRR31, CRR.32
	3 Possible			CRR.17, CRR.18, CRR.19, CRR.20	CRR.06, CRR.07, CRR.08, CRR.09, CRR.10, CRR.12, CRR.13, CRR.14, CRR.15	CRR.33, CRR.035
	2 Unlikely		CRR.30	CRR.24, CRR.25, CRR.26, CRR.27, CRR.29	CRR.21, CRR.23, CRR.34	
	1 Rare					

9. As shown in the heat map above, there are three risks which are on the corporate risk register which remain as extreme risks (i.e. score more than 20) following the mitigating activities completed to date. The three risks are:

- CRR.01   Children's Operational Staffing / Workforce – we are unable to recruit and maintain a stable, experienced social care workforce

- CRR.31   South Wye Transport Package – scheme costs increasing as a result of changes to the programme
- CRR.32   South Wye Transport Package – the Marches LEP withdrawing the existing growth funding

10.   Sixteen risks are rated as high risk (scoring between 10 and 16) following mitigation, twelve as medium (in the yellow grouping) and one are rated as low following mitigation.

11.   Since November, there have been the following changes:

- Delayed Transfer of Care (DTOC): This risk has been removed following a sustained period of improved performance. At the time the risk was added Herefordshire was highlighted as one of the poorer performing authorities nationally, however improvements within the directorate, including investment in the HomeFirst service and a trusted assessor to support with discharge to care homes, evidence clear improvement.
- Integration (One Herefordshire): This risk has been removed. This is an agreed programme of work, which has an approved governance structure in place. The management of the integration agenda is now moved in to business as usual within the adults and communities directorate.
- Information Governance (IG) Toolkit: this risk has been stepped down from the corporate risk register. The IG toolkit has now been successfully completed since 2012/13.   The current toolkit is being updated and confidence of delivery is monitored monthly at the IG Steering Group.
- Three risks regarding the South Wye Transport Package (SWTP) have been added to the corporate risk register. These are surrounding finances already committed to the project by the Marches LEP.
- Information Governance: Risk score has increased in the last quarter following review. Despite robust processes for sharing of information and a good record in this area, there are an average of 8-10 data breaches across the council in a month. There is additional training which increases awareness to report incidents. Whilst the majority of these are low level, there have been recent examples of breaches being referred to the Information Commissioner which have resulted in fines.
- The safeguarding work to support the police investigation risk (from Childrens & Families) has been closed following the completion of the police investigation. This has been replaced by a new risk regarding the response to the prosecution (CRR.34).
- Phosphate Pollution in Lugg Catchment: This risk has been added to the Corporate Risk Register (CRR.35) due to the strategic implications for development in the county.
- Hillside (former NHS Community Hospital): This risk has been added to the Corporate Risk Register (CRR.36) due to the possibility of a legal charge being invoked should there be a change of use of the building. This continues to be progressed through involvement of politicians and NHSE.

12.   Previous committee meetings have requested that the directorate risk registers are also available to evidence escalation / de-escalation of risks in line with the PROM framework. Heat maps of these risk registers are provided at appendices 2 – 5.

Community impact

13.   In accordance with the principles of the council's adopted code of corporate governance, the council must ensure that it has an effective performance management system that

facilitates effective and efficient delivery of planned services. Effective risk management is an important component of this performance management system.

Equality duty

14. Under section 149 of the Equality Act 2010, the 'general duty' on public authorities is set out as follows:

A public authority must, in the exercise of its functions, have due regard to the need to -

(a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;

(b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;

(c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

15. There are no equality duty implications arising from this report.

Resource implications

16. There are no resource implications arising from this report.

Legal implications

17. None.

Risk management

18. There are no risks as a direct result of this report. By reviewing the corporate risk register, greater assurance is given that the council manages its risks appropriately.

Consultees

19. None

Appendices

Appendix 1   Corporate Risk Register

Appendix 2   Adults and Communities Risk Register

Appendix 3   Children and Families Risk Register

Appendix 4   Economy and Place Risk Register

Appendix 5   Corporate Services Risk Register

Background papers

None