

Meeting:	Audit and governance committee
Meeting date:	Tuesday 17 November 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

To consider the status of the council's corporate risk register in order to monitor the effectiveness of risk management within the Performance Management Framework.

Recommendation(s)

That:

- (a) the committee determine any recommendations it wishes to make to ensure effective risk management.**

Alternative options

1. The committee could chose not to review the corporate risk register; however this is not recommended as regular monitoring should provide assurance that risk is being managed effectively within the council.

Key considerations

2. In accordance with the Performance Management Framework (PMF) and Risk Management Plan that was adopted by cabinet on the 24 September 2020, it is the

committee's role to ensure that risk management is effectively managed in line with the processes set out in the PMF.

3. The new framework was presented to all departmental meetings in October to start to implement the new risk framework. Having reviewed the Directorate registers in the November Corporate Centre Team meeting it is clear that further work is required to embed the framework and ethos. To strengthen the approach, each director has been asked to identify a lead Assistant Director who will lead and challenge on risk identification, scoring and management within their directorate. Training needs for these roles, as well as others involved in embedding the risk framework are being explored. Further work also needs to be done to embed the risk framework in relation to projects. This will become easier now the head of programme management office is in post and the new delivery plan is established and finalised, clarifying the key work programmes.
4. Risks within the council are identified and scored based on their likelihood and impact, using the methodology identified within the councils Risk Management Plan. Risks are reported at relevant levels based on their residual score. The councils Corporate Risk Register holds the highest risks across the organisation, the table below confirms the level of risk based on its score. This score also identifies the level of monitoring required, as well as the action necessary.

	Green	Yellow	Amber	Red
Score	1 – 4	5 – 8	9 – 15	16 – 25
Register*	Service		Directorate	Corporate
Action	Unlikely	Might	Should	Must
Review frequency	Quarterly	Monthly	Monthly	Monthly

* Risks that appear on the corporate and directorate risk registers must also appear on their relevant service risk registers. The service risk register is the master register.

5. It is the responsibility of risk owners to ensure that risk scores are regularly reviewed and updated where necessary.

Current Risks

6. The heat map below shows the current risks on the corporate risk register and their risk score after controls as at the end of quarter 2 (September 2020). Full details of the risks, using the references, can be found in Appendix 1.

		4 Major	5 Significant
Likelihood	5 Certain	CRR.04, CRR.31, CRR.46, CRR.47, CRR.51, CRR.52	CRR.39, CRR.55
	4 Likely	CRR.09, CRR.45, CRR.48, CRR.49, CRR.50, CRR.53, CRR.54, CRR.56	CRR.03, CRR.33

7. The table below shows the number of risks identified within the corporate risk register, broken down by directorate, as well as the number of risks managed at a directorate level.

	Corporate Risks	Directorate Risks*
Adults & Communities	4	23
Children & Families	5	10

Economy & Place	6	24
Corporate Support	3	15
Total	18	72

*including corporate risks

8. Directorate risk registers can also be found at appendices 2 – 5. Please note that directorate risk references have been refreshed since the last reporting period.
9. This is the first report to committee against the new Risk Management Plan, as such this quarter's report to AGC will not show comparison with previous quarters. Future quarters will provide updates on changes of risks coming on to the corporate risk register, as well as ones which step down to directorate or service risks.
10. Whilst comparison with previous registers and trend data has been omitted, as the change of scoring mechanisms does not support direct comparison, the table below provides a summary of where risks reported as part of the Corporate Risk Register at the end of the first quarter are now being monitored;

Remain on Corporate Risk Register	7
Now on Directorate Risk Register	16
Now on Service Risk Register	7
Risk Closed	5

11. There are three risks on the Corporate Risk Register which have been opened this quarter;
 - Hereford City Centre Transport Package – in relation to statutory land payments
 - Foster Carers – the councils ability to recruit and retain sufficient levels of carers
 - Court Cases – in relation to court decisions regarding children against the council
12. The Corporate Risk Register has yet to be moderated by the Corporate Centre Team Meeting (CCTM), as part of the new framework. This meeting will continue to review Corporate and Directorate Risk Registers on a regular basis.

COVID-19 Risk Register

13. A separate COVID-19 risk register has also been established to monitor risks in relation to the council's response to the global pandemic. These risks form part of regular reviews in the council's gold command meetings; this approach has been taken allow a flexible approach to risk management. Risks have been aggregated in to wider risk groupings (e.g. risks to our staff), which have then been scored. A copy of the COVID-19 risk register can be found at appendix 6.

Severity of Risk	Number of risks
Low risk	0
Medium risk	1
High risk	4
Extreme risk	6

14. The table above shows the range of the current risks scoring (register updated 19 October). Since last reported to committee, there has been the following movements in the aggregated risks;

- 2 risks with a reduced residual score
 - CV2 Risk to our staff (reduced likelihood from 3 to 2)
 - CV11 Missed education for Herefordshire learners (reduced likelihood from 5 to 4)
- 2 risks where the scores changed within the quarter, but returned to the existing risk level reported at the end of quarter 1.
 - CV9 Risk of non-compliance with advice/guidance by general public
 - CV10 Risk of larger outbreaks leading to wider lockdown

Community impact

15. 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.

Environmental Impact

16. This decision itself has minimal environmental impacts, however effective risk management will increase the likelihood of the council achieving its strategic objectives, one of which is the Environment

Equality duty

17. 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.

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

Resource implications

19. There are no resource implications arising from this report, however effective risk management should increase the likelihood of the council delivering its budget.

Legal implications

20. None.

Risk management

21. 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

22. None

Appendices

Appendix 1	Corporate Risk Register
Appendix 2	Adults & Communities Directorate Risk Register
Appendix 3	Children & Families Directorate Risk Register
Appendix 4	Economy & Place Corporate Risk Register
Appendix 5	Corporate Centre Directorate Risk Register
Appendix 6	COVID-19 Risk Register

Background papers

None

Please include a glossary of terms, abbreviations and acronyms used in this report.