

Title of report: Corporate Risk Register

Meeting: Audit and governance committee

Meeting date: Wednesday 24 November 2021

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 ensure effective risk management.**

Alternative options

1. The committee could choose not to review the Corporate Risk Register. This is not recommended as regular monitoring should provide assurance that risk is being managed effectively within the council.

Key considerations

- In accordance with the council's Performance Management Framework (PMF) and associated Risk Management Plan, it is the committee's role to ensure that risk management is effectively managed and in line with the processes set out in the PMF.
- Risks are identified as part of daily council business, self-assessment as part of business planning processes, as well as a result from regulator and audit activity. As these risks are identified, they are scored based on the likelihood and impact, using the methodology within the Risk Management Plan (RMP). Risks are reported and escalated based on their residual, or current score. The council's Corporate Risk Register therefore holds the highest, most immediate risks across the organisation; the table below provides a summary of risks based on their scores, the associated monitoring required and the action necessary.

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

* NB: Risks that appear on the Corporate Risk Register will also appear on their relevant Directorate and Service Risk Registers

- It is the responsibility of risk owners to ensure that risk scores are regularly reviewed and scores, controls and future mitigating activity are updated where necessary.

Corporate risk register

- The heat map below shows the current risks on the council's Corporate Risk Register as at the end of September 2021. References and the full details of the risks can be found at appendix A. At the request of the committee, changes in the Corporate Risk Register have been identified in red text in the appendix.

Corporate Risk Register - September 2021

		IMPACT			
		4		5	
LIKELIHOOD	5				
	4				
		Directorate RR (9 - 15)	Service RR (5 - 8)	Service RR (1 - 4)	Closed
					CRR.59

-- No Change
 E Escalated
 D De-escalated

★ New in quarter
 ↑ Residual Risk Increased
 ↓ Residual Risk Decreased

6. Since the last report to committee (risk registers @ July 2021), there has been 1 corporate risk closed, 2 new corporate risks and 3 risks escalated to the corporate risk register, as follows:

- The risk in relation to the sustainability of a care home has now been closed. The care home closure has been managed during the last quarter (CRR.59)
- A new risk in relation to the availability of HGV drivers and labour to support waste collections (CRR.62)
- A new risk in relation to the integration of the Multi Agency Safeguarding Hub which receives referrals in to childrens social care (CRR.65)
- An escalation of the risk of the workforce which supports the social care provider market (CRR.61)
- An escalation of the risk in relation to land payments for the Hereford City Centre Transport Package (CRR.63)
- An escalation of a risk around recruitment and retention of social care staff and other key roles in childrens services (CRR.64)

7. The table below provides a breakdown of the current corporate risks by directorate, as well as the number of risks currently being managed at directorate level.

	Corporate Risks	Directorate Risks*
Adults & Communities	1	17
Children & Families	4	9
Economy & Place	2	32
Corporate Support	0	32
Total	7	90

* Includes corporate risks

8. Directorate risk registers can be found at appendix B – E. A summary of changes across directorate risk registers is found in the table below.

	Adults & Communities	Children & Families	Economy & Place	Corporate Centre
New risk	1	1	4	2
Closed risk	1		3	1
Escalated	2*	1*	3*	4*
De-escalated from DRR.			1	
Increased score		1		
Reduced score		2		1
No change	14	5	25	25

* Some risks have both increased in residual score and escalated to the Directorate Risk Register; in this instance, the table above only counts these risks in the escalation row.

COVID-19 risk register

9. A separate COVID-19 risk register continues to be held in order 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 to 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.

Severity of Risk	Number of risks
Low risk	0
Medium risk	6
High risk	3
Extreme risk	3

10. The heat map below shows the current risk ratings of risks held on the COVID-19 risk register. Movement on this register is noted using a similar approach to the corporate risk register above. Reference numbers and details on the risks can be found at appendix F.

		Impact				
		1 Insignificant	2 Minor	3 Moderate	4 Major	5 Significant
Likelihood	5 Certain					CV4 --
	4 Likely			CV12 --		CV3 -- CV8 --
	3 Possible					CV9 -- CV10 --
	2 Unlikely			CV1 -- CV6 -- CV7 --	CV2 -- CV11 ↓ CV13 --	
	1 Rare					

11. As demonstrated in the above, there has been limited movement on the overarching risk score of the council's risks associated with COVID-19. This might be expected as the country has reduced restrictions, although local monitoring of the prevalence and the associated risk and impacts is regularly monitored through gold and silver commands.
12. Since the last report to committee, one risk has reduced its residual score; missed education for Herefordshire learners (CV11) has reduced as children have returned to schools for the autumn term. Schools maintain the ability to provide online learning, children no longer have to self-isolate as a close contact reducing the amount of education missed and communications to parents/carers in relation to the measures in place and the safety measures families can implement to reduce the likelihood of spread through schools.

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.

Environmental impact

14. This decision itself has minimal environmental impacts, however effective risk management will increase the likelihood of the council achieving its strategic objectives, including to "protect and enhance our environment and keep Herefordshire a great place to live".

Equality duty

15. 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.

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

Resource implications

17. 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

18. None.

Risk management

19. There are no direct risks as a result of this report. It is clear that we still have some way to go to embed the new approach. By reviewing the corporate risk register on a regular basis, greater assurance is given that the council manages its risk effectively.

Consultees

20. None

Appendices

- Appendix A Corporate risk register
- Appendix B Adults and communities directorate risk register
- Appendix C Children and families directorate risk register
- Appendix D Corporate centre directorate risk register
- Appendix E Economy and place directorate risk register
- Appendix F COVID-19 risk register

Background papers

None