

**CABINET MEETING: 23 SEPTEMBER 2021**

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**CORPORATE RISK MANAGEMENT - QUARTER 4 2020/21**

**FINANCE, MODERNISATION & PERFORMANCE  
(COUNCILLOR CHRIS WEAVER)**

**AGENDA ITEM: 5**

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**Reason for this Report**

1. To bring the risk management position at quarter 4 2020/21 to the attention of the Cabinet, for consideration of the key risks facing the Council.

**Background**

2. The Cabinet receives an update on the risk management position on a biannual basis, and an opportunity to raise comments. The last Cabinet review was on 17<sup>th</sup> December 2020, at which time the risk management position at quarter 2 2019/20 was presented. The Q4 Corporate Risk register was considered by the Governance & Audit Committee on 20 July 2021
3. Each Directorate holds a Directorate Risk Register (DRR) and the Senior Management Team (SMT) collectively own a Corporate Risk Register (CRR). The CRR records the main risks to the delivery of corporate objectives and priorities, whilst the DRRs record the key risks to the delivery of Directorate functions and priorities.
4. A risk escalation process is in place, whereby each Director is required to take ownership of all residual (current) risks rated as 'red/amber' and above on their DRR and, at a minimum, to escalate all 'red' residual risks to SMT for collective ownership and review and then where required escalation to Cabinet..
5. This reporting process allows SMT to determine if any changes are required to the CRR each quarter. The remaining escalated risks continue to be held on DRRs and are reviewed by SMT each quarter until it is agreed that mitigation is sufficient for risk ownership to transfer back to the Directorate.

## Issues

6. Each Director has worked with their Risk Champion(s) to undertake their quarter four risk management review. The Risk Management Team has also provided advice and guidance on the measurement and reporting of risks. The quarter four risk assessments are presented on the Corporate Risk Register Summary Snapshot (Appendix A) and the Detailed Corporate Risk Register (Appendix B).
7. The Risk Management Review process has two tiers (Directorate and Corporate) and the actions at each for quarter four are detailed as follows.

### **Directorate Risks**

8. At the quarter four position, 276 risks were reported from DRRs. All escalated risks and requests for de-escalation were discussed and approved in SMT on 10th June 2021.
9. It was agreed that eight directorate risks would be carried forward as SMT escalated risks at quarter four.

<b>Directorate</b>	<b>Directorate Risks</b>	<b>Risks at SMT Escalation Point</b>
Economic Development (incl. Waste)	31	2
Education	21	0
Governance & Legal Services	13	1 (Shared)
Housing & Communities	63	2
Performance & Partnerships	2	0
Planning, Transport & Environment	37	0
Resources	83	0
Social Services	26	3 (1 Shared)
<b>Total</b>	<b>276</b>	<b>7</b>

### **Corporate Risks**

10. Escalated directorate risks and corporate risk updates at the end of quarters three and four. In consideration of the nature of each risk, the potential impact on the organisation and its corporate objectives and the supporting mitigations, The following material CRR changes since the last Cabinet update on 17<sup>th</sup> December 2020 are suggested to be taken forward.

11. As reported at quarter three, the “ICT Platforms (Unsuitable/Outdated)” risk has been removed from the Corporate Risk register at the end of quarter 4. The established Risk Management process allows re-escalation of the risk if / when it were determined in the future that a corporate response is required in terms of action or resources
12. There is a revision of the “Education – Consortium & Attainment” risk in respect of both the title and risk description. The pandemic has had a significant impact in terms of cancellation of data collections and lost learning following closure of schools. It has therefore been agreed that the risk of not delivering school improvement and increased attainment, should not be as narrowly focussed on Central South Consortium performance as the previous description suggested, but should take account of wider factors, particularly at the present time.
13. As such, the risk title has been changed to “School Improvement & Attainment” and the description is now “The risk that school improvement is not delivered as planned, in light of changing accountability and assessment arrangements and National Reforms (Curriculum and Additional Learning Needs).”
14. The impact of Covid-19 on existing risks continues to feature as part of quarter four reporting arrangements and will to continue into 2021/22. Directorates have also considered Covid-specific risks. The Council’s response to the pandemic and its risk management is not restricted to delivering its own services, and there are clear links with Welsh Government and Health partners.
15. Continued oversight has been undertaken on preparations and actions of directorates in order to ensure that there is a level of business continuity and resilience built into service delivery plans. This robustness is supported by the existing Emergency Management processes in place and reliance is placed in this as an escalation mechanism.
16. The Council continues to monitor the impact of the exit from the European Union through the Directorate Risk Register, Corporate Risk Register and dedicated Brexit Risk log, which is supported by lead officers across the Council. Work is ongoing to respond to specific risks, including the identification of vulnerable adults and children looked after who need to apply to the EU Settlement Scheme. Whilst it remains too early to fully quantify the impact of the exit, issues such as price inflation, availability of materials and recruitment are being closely monitored, whilst preparation for accessing the successor funding scheme to EU structural funds are underway.

### **Reason for Recommendations**

17. To enable the Cabinet to monitor risk management activity, and consider the Risk Management Review – Quarter four 2020/21.

### **Financial Implications**

18. There are no direct financial implications arising from this report. The Corporate Risk register will be used to guide the Internal Audit Plan and the Council's resource planning processes and forms an important part of the governance arrangements for the Council.

### **Legal Implications**

19. There are no direct legal implications arising from this report. However, one of the benefits of identifying risk is that mitigation measures may be taken, if appropriate, and consequently successful claims against the Council may be avoided altogether, or reduced

### **HR Implications**

20. There are no HR implications for this report.

### **Property Implications**

21. There are no specific property implications in the Corporate Risk Management - Q4 report. The Estates Department continues to work closely with relevant service areas in monitoring property related risks through the Corporate Risk register, including Covid-specific risks, including identifying any appropriate mitigation measures.

## **RECOMMENDATIONS**

Cabinet is recommended to note the content of the Corporate Risk Register.

<b>SENIOR RESPONSIBLE OFFICER</b>	<b>CHRIS LEE</b> Corporate Director Resources
	17 September 2021

*The following appendices are attached:*

**Appendix A** - Corporate Risk Register Summary Snapshot – Q4 2020/21

**Appendix B** - Detailed Corporate Risk Register – Q4 2020/21

*The following background papers have been taken into account:*

*Corporate Risk Register Q3 & Q4 2020/21*

*Directorate Risk Registers Q3 & Q4 2020/21*