

Local Members Interest
N / A

Audit and Standards Committee – 3 December 2018

Amendments to the Risk Register

Recommendation

1. To note the updated position in relation to the Corporate Risks.
2. To identify any risk area(s) upon which Members of the Committee would like to receive further details at a future meeting.

Joint Report of the Director of Strategy, Governance & Change and Director of Finance & Resources

Background and Commentary

3. One of the key roles of the Audit & Standards Committee is to ensure that the Council has effective risk management arrangements in place. This report assists in the Committee in that role by providing an overview of the key risk areas within the Corporate Risk Register.
4. The Risk Register is a means by which the Council identifies, monitors and manages risks. It is designed to capture strategic risks, which by their nature, have a long-time span. The Corporate Risk Register has been reviewed by Members of the Corporate Governance Working Group pending review by SLT.
5. The refreshed corporate risk register reflects the key risks facing the Authority (i.e. those that have been assessed as being scored >15) and are detailed below:

Note: Detailed operational risks covering the medium and low-level risks are managed locally.

(i). MTFs & pressures on service delivery/maintaining legality/legal risks whilst undergoing change. The MTFs contain significant risks around:

- Adult Social Care – particularly care home prices & market failure (i.e. Allied HealthCare).
- Looked After Children – prices, complexity and numbers.
- SEND/High Needs Allocations (schools) – any amounts not funded by schools will fall to the county council to fund.

- Public Health Grant – recent MTFS decisions have placed additional risk on the use of the grant which could result in an additional spending pressure.
- Delivery – concerns exist regarding the capability and capacity to deliver on an ambitious MTFS.
- Given the levels of contingency and general balances contained in the MTFS currently, the aim should be to plan to increase these levels by putting more money aside to address any risks that may materialise over the MTFS period.

(ii). Children's Social Care System – transformation of service

(iii). Cyber related risks to the business

(iv). Key Supplier Failure – Failure of critical suppliers who have been commissioned to deliver services on behalf of the County Council E.g. Allied HealthCare and the provision of Home Care.

(v). Single points of failure within the Business i.e. critical systems/services operated by a single individual/source which terminates suddenly.

(vi). GDPR and Information Assurance – failure to meet the new requirements.

(vii). HR related risks including capacity/workforce strategy to deliver the transformation programme. Human Resources capacity is currently identified as particularly high risk.

(viii). Capacity and Capability - failure to have the required capacity and capability within the Council to deliver the change programme which is required to deliver to MTFS savings plan.

(ix). Digital Technology Developments- failure to embrace and fully exploit digital solutions when redesigning services/processes to ensure the most cost-effective solution is adopted.

(x) Brexit – implications for local government from leaving the EU.

(xi) Partnerships – joint working arrangements to deliver a common vision for Staffordshire.

Mid-Tier Risks

- Delayed Transfer of Care and Health & Social Care Integration (incl. the STP) – potential to lose the BCF funding.
- Business Continuity and Emergency Planning arrangements - failure to make adequate plans to restore the Business across the full spectrum of services undertaken by the Council, together with robust arrangements operating within Partner bodies who perform services on behalf of the County Council.
- Stakeholder Engagement and Community Development - Failure to undertake effective communication with Stakeholders and Communities to ensure that the aims of the 'People helping People' strategy can be achieved.
- Home & Community Care Contract – inherent risks exist because of the payment process adopted within Care Director which makes payments as

- per the provider invoice without reference to the commissioned hours contained in the care plan. May result in potential under/over payments.
- Section 53 requirements (Rights of Way) – backlog of applications for modification orders to the definitive map of public rights of way under Section 53 of the Wildlife and Countryside Act 1981.
6. Since the last update to the Audit & Standards Committee in July 2018 the following risk has been removed:
- Peer Review – visit undertaken, and a positive report received. Any specific risks highlighted by the review have been incorporated into the risk register where appropriate.
7. Following on from the July report, work continues to be undertaken within the following areas:
- Development of the approach to risk management with external partners.
 - Regular refresh of the Corporate Risk Register and the format/content required.
 - Consideration of the proposal of how to present the split between current and emerging risks.
 - Develop and strengthen the linkage with the Strategic Plan/Business Plan
 - Embed risk management into the culture of the organisation, to include the monitoring and reporting of progress against mitigating actions
 - Embed the process for Elected Member engagement through regular updates to the Audit & Standards Committee of the key risk areas, including any additions/deletions.

Risk Profile

8. The County Council is developing its risk management process which will continue to evolve as the governance structures surrounding risk are confirmed. Consequently, the format of the Corporate Risk Register will continue to be revised.

Equalities Implications

9. There are no direct implications arising from this report.

Legal Implications

10. Failure to comply with legislation or legal requirements (e.g. health and safety and data protection) can result in external censure, financial loss and damage to reputation.

Resource and Value for Money Implications

11. The mitigating actions and their resource implications should be managed by the Senior Leadership Team and reflected within their Service Plans. Any new

significant costs arising that cannot be contained within existing budgets will need to be considered within the Medium Term Financial Strategy (MTFS).

Risk Implications

12. The completion of Mitigating Action Plans will reduce the County Council's Risk Profile and assist the delivery of objectives.

Climate Change Implications

13. There are no direct CO2 implications arising from this report.

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