

# RISK MANAGEMENT



# Progress Report

February 2020

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Appendix 1 – Governance Review – October 2019

Appendix 2a, 2b – Heat Map and Strategic Risk Register – January 2020

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# Introduction

The purpose of this report is to provide an update on:

- The activities being undertaken to support the Council in developing a culture of being ‘Creative & Aware of Risk’<sup>1</sup> in line with the agreed risk appetite.
- The key strategic and operational risks facing the Council;

It is also to provide assurance on the effectiveness of the Council’s risk management arrangements.

## Key Messages

### Governance review – see Appendix 1

Following the Governance review on Risk Management and Health & Safety arrangements, the overall message from the review was:

*“The Council has effective risk management and health and safety arrangements in place that enables risks to be taken in an informed manner. There is a clear tone from the top from the Corporate Leadership Team and senior management in risk taking and avoidance”*

Further to this, the review identified a number of suggested areas for improvement as follows:

- Update of **strategic risks and risk appetite** to align with new Corporate Plan.
- More **robust corporate oversight** over both risk and health and safety – including **third party and key project risks**. Improving Board insight and challenge particularly around control actions.
- **Better transparency of risk information** on key decisions, scrutiny and transformation programmes.
- **Consistency of practice** and understanding of our key risks.
- Peer review found **‘risk averse culture and behaviours due to fear of failure** and this is stifling innovation and creativity. Review and maintain a risk culture that enables risks to be taken – creating confidence in a ‘just culture’.

The Corporate Risk & Safety Steering Group is developing an action plan and will oversee implementation. Recommendations will be tracked and monitored in the normal way through the Audit Committee. The actions will be implemented by September 2020.

# Strategic risk register – See appendix 2a & 2b

Overall the strategic risks continue to be managed pro-actively. We have reviewed the effectiveness of the control actions – focussing on those that can be measured such as KPIs, external sources etc. This will help us measure their impact in managing the risk.

We have also realigned the risks to the new Corporate Plan.

There is a good level of awareness of current and emerging risks that could impact services.

<b>5</b> risks <b>SUBSTANTIAL ASSURANCE</b>	Safeguarding Children (1) Safeguarding Adults (2) Resilience (Business Continuity) (3) Budget - LCC (6) Recruitment / Staffing (7)	Recruitment / staffing – further work needs to be completed around evaluating control measures which are due to be implemented and agreed by April 2020.
<b>4</b> risks <b>LIMITED ASSURANCE</b>	Market Supply – Adult Care (4) Strategic Contracts (8) Cyber Security (9) IT Infrastructure (10)	Cyber Security is high risk. Improved position but outstanding implementation of actions means assurance is still limited.
<b>1</b> risk <b>BEING UPDATED</b>	Major projects (5)	Progress has been made on controls but further work is underway to strengthen project governance and develop the transformation plan. Once these are completed we will be able to refine and update our project risks.

## Risk Appetite Statement

The Council wishes to be creative and open to considering all potential delivery options, with well measured risk taking whilst being aware of the impact of its key decisions.

# **Our Operational Risks**

In line with the governance review, we are reconfiguring and reconstructing the Directorate groups and therefore some have identified their risks and some are being worked through with our support.

The common risks that have been identified so far include; Business Continuity, Budget and Skills & retention of staff.

We are also strengthening our Health & Safety risks through our KPIs which are also going through the Corporate Risk & Safety Steering Group which will be meeting on 24<sup>th</sup> January 2020 together with the annual review going to scrutiny committee in July 2020.

## **Looking Forward**

The following key activities are planned for 2020/21 :-

**Implementing  
the  
Governance  
review  
actions**

**Undertaking a  
risk culture  
workshop  
with the  
leadership  
team**

**Updating our  
strategic risk  
register**

**Updating  
operational  
risks**

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