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Risk Management

Progress Report - March 2022



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Appendix 1 – Strategic Risk Register – March 2022

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’¹ 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

Progress on Governance review

Key actions completed / implemented since the last report in September 2021 are as follows;

- ✓ Continuation of reporting quarterly to CLT on risk management including high risks and issues relating to the pandemic which are reducing.
- ✓ Aligned the strategic risks to the Corporate Plan.
- ✓ Continuation of highlight reports produced from the Directorate Risk & Safety groups (DRSG) to the Corporate Risk & Safety Steering group (CRSSG) with key messages on both Risk Management and Health & Safety with no risks requiring escalation. This includes common themes that are discussed across the directorates.

1. 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

Key messages continued..

- ✓ Sharp Cloud, the risk management software system continues to be populated with all of Resources risk registers and is starting to be used for interactive updates. Particular focus has been on controls making them more measurable and directly relating to managing particular risks. The use of the wheel of control is helping to highlight key control areas.
- ✓ Work continues with supporting the Transformation Programme and projects and better sight of risk management.

There are only two remaining priorities outstanding which relate to decision making and updated comms plan. These will be worked through, and updates reported at the next committee.

Strategic risk register – See Appendix 1

Overall, the strategic risks continue to be managed pro-actively. We have reviewed the effectiveness of the control actions – focusing on those that can be measured such as KPIs, external sources etc. This will help us to measure their impact in managing the risk. In addition, there are **two new risks** to note on the strategic risk register: Number 11 – **Outstanding debt** and Number 12 – **Exit of Serco contract**. Further information on these and other risks are noted on the following pages.

There is a high level of awareness of current and emerging risks that could impact services, and this is completed by having discussions with risk owners and supporting officers on a regular basis.

Safeguarding Children - (1)

Safeguarding Children has moved to **substantial** assurance and an **improving** direction of travel (previously limited & static). This is due to majority of KPIs now being met and any outstanding, having plans in place.

Safeguarding Adults - (2)

No changes to **assurance levels** since last report (September 2021).

Resilience (Business Continuity) - (3)

No changes to **assurance levels** since last report (September 2021), however the upgrade to the IT system across the Emergency Planning service remains outstanding and is a watching brief.

Budget – LCC – (6)

No changes to **assurance levels** since last report (September 2021)

Serco Contract - NEW (12)

Exit of Serco contract ending is a new risk. It has been given a level of **substantial assurance** but will be monitored closely over the coming months.

Market Supply – Adult Care - (4)

No changes to **assurance levels** since last report (September 2021).

Transformation Programme – (5)

No changes to **assurance levels** since last report (September 2021)

Recruitment / Staffing – (7)

Ability to recruit & retain staff in high-risk areas has moved to **limited assurance** and **deteriorating** direction of travel (previously substantial & improving). This is due to the issue around recruitment for the organisation which involves costs, not being able to fill posts, unsuccessful applicants and it being a wide issue across LCC. This is being addressed with several initiatives; however, these will take time to implement.

Strategic Contracts – (8)

No changes to **assurance levels** since last report (September 2021)



Cyber Security – (9)

No changes to **assurance levels** since last report (September 2021)

IT infrastructure – (10)

IT infrastructure has moved to **limited assurance** with an **improving direction of travel** (previously substantial & improving). This is due to several factors including staff shortages within IT, IT issues with slowness, lack of equipment and some issues with migration. These are all related to the BAU part of the risk. These are being addressed and with the new cloud platforms that have now been implemented, improvements are continuously being made.

Outstanding debt – NEW (11)

Recovery of income is a **new risk**. This is around securing recovery of income from a number of sources. This is primarily a risk within the **Adult Social Care** area, however, effects the **whole organisation**. There is a comprehensive 22-point action plan which is monitored regularly which will help with reducing this risk.

LIMITED
ASSURANCE
CONTINUED

Our Operational Risks

We work on a frequent basis with Directorate Risk & Safety Groups in identifying the top risks for each directorate.

To support reporting of risks and issues more dynamically, we populate the up to date risks and controls on to our risk management system, Sharp Cloud. This will enable us to have even richer data around these and will improve the risk intelligence.

We continue to work with services to redefine the controls where necessary to be more measurable and more aligned with other services.

Looking Forward

Over the coming months, we aim to:

- Report regularly to CLT for as long as is required with the red risks & issues
- Continue to work with services in getting either up to date risk registers or ensuring that they are aware of their operational risks and report to risk management on a regular basis
- Populate and use the new risk management software system Sharp Cloud to improve reporting.
- Revise and update the terms of reference for both the CRSSG and DRSG's to fall in line with current practices and requirements.
- Launch our risk management pages on the LCC intranet, Share Point which will include revised guidance.
- Launch the risk management strategy following review.