

Subject:	Strategic Risk Register review November 2016		
Date of Meeting:	10 January 2017		
Report of:	Executive Lead Officer, Strategy, Governance & Law		
Contact Officer:	Name:	Jackie Algar	Tel: 01273 29-1273
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Ward(s) affected:	All		

FOR GENERAL RELEASE**1. PURPOSE OF REPORT AND POLICY CONTEXT**

- 1.1 The Audit & Standards Committee has a role to monitor and form an opinion on the effectiveness of risk management and internal control. As part of discharging this role it reviews the Strategic Risk Register (SRR), recently updated by the Executive Leadership Team (ELT) on 16 November 2016.
- 1.2 The SRR Report December 2016 (Appendix 1) provides detail on the actions taken and future actions to manage each strategic risk.

2. RECOMMENDATIONS

- 2.1 That the Audit & Standards Committee notes the SRR Report December 2016 at Appendix 1.

3. CONTEXT/ BACKGROUND INFORMATION

- 3.1 The SRR details the risks which may affect achievement of the Council's key objectives, including in relation to its work with other organisations across the city. It is reviewed and agreed by ELT every six months (usually around May and November) and provides evidence of a risk aware and risk managed organisation. Risk management is embedded within Directorate Plans, service plans and other work plans, and therefore the register is a key document which influences activity.
- 3.2 Across the council there are a number of risk registers which prioritise risks consistently by assigning risk scores 1-5 to assess the likelihood (denoted by 'L') that the risk will occur, and the potential impact (denoted by 'I') if it should occur. These L and I scores are multiplied; the higher the result of L x I, the greater the risk e.g. L4xI4 which denotes a Likelihood score of 4 (Likely) x Impact score of 4 (Major). A colour coded system, similar to the traffic light system, is used to distinguish risks that require intervention.
- 3.3 There is an approved Risk Management Strategy to manage all risks at the appropriate organisational level. This process enables risks to be 'escalated' for the consideration of ELT.

- 3.4 ELT are responsible for reviewing the SRR and individual ELT members are assigned as 'Risk Owners' responsible for co-ordinating action to manage the Strategic Risks. ELT's review is informed by Directorate Risk Registers which are reviewed at least quarterly in line with the SRR review and the Audit & Standards Committee timetable.
- 3.5 Each strategic risk has a unique identifying number and is prefixed by 'SR' representing that it is a strategic risk. Each is recorded on the Integrated Risk Manager (IRM) software system, part of Interplan package. Appendix 1 gives details of existing controls and future actions to manage each strategic risk.

4 SUMMARY OF MAIN CHANGES TO THE STRATEGIC RISK REGISTER (SRR) 2016/17 AFTER REVIEW BY ELT 16 NOVEMBER 2016

- 4.1 There remain 15 strategic risks at Red or Amber Level, one risk was removed and another added.

Risk removed: SR28 Governance & Assurance Framework because the Corporate Risk Assurance Framework (CRAF) was approved by ELT, it will be reported to all the meetings (above).

Risk added: SR29 Contract Management, which will help deliver important aspects of the Annual Governance Statement 2015/16 actions. Full details are provided in Appendix 1.

4.2 Changes to risk scores

SR26 'Council's relationship with citizens' was given a thorough review by the Chief Executive and the Executive Director, Finance & Resources. This resulted in an increase in the Initial risk score.

From: Likelihood score 3 (Possible) x Impact score 3 (Moderate) = AMBER

To: Likelihood score 4 (Likely) x Impact score 4 (Major) = RED

However, the Residual risk score has remained as last reported. It is: Likelihood score 3 (Possible) x Impact score 3 (Moderate) = AMBER

There were no other changes to risk scores.

4.3 Changes to risk titles and focus

The title of SR20 changed:

Previous Title: Better Care Fund: Ability of health and social care to integrate services at a local level to deliver timely and appropriate interventions.

New Title: Ability of health and social care to integrate services at a local level to deliver timely and appropriate interventions.

The reason for this was that the Better Care Fund is one aspect to enable integration of health and social care, but there are others and the Better Care Fund is now reflected elsewhere in the risk (as a 'Cause').

The title of SR18 changed from:

Previous Title: Sustainable ICT and Digital Modernisation

New Title: Sustainable ICT and Digital Modernisation to improve service delivery

The focus of risk action has also altered to better reflect work underway or planned as part of the Digital First Programme.

4.4 Whole Risk Register

The table below sets out the risks in order of revised risk score which is assessed after taking into account the Existing Controls to provide a more 'realistic' prioritisation of risks compared against each other. The table provides details of direction of travel and in the final column, in addition of the Revised Risk Rating, the Risk Owner's assessment of the Effectiveness of Controls. As risks are managed, the unique risks may be removed from the SRR and in that case a gap in sequential numbering may arise.

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Risk No.	Risk Title	Revised Risk Score		Revised Risk Score (L x I) Direction of Travel	Revised Risk Rating	Effectiveness of Controls
		Likelihood (L)	Impact (I)			
SR2	Financial Outlook for the council	4 Likely	4 Major	16 ◀▶	RED	Adequate
SR18	Transition to modern, digital IT to improve service delivery	4 Possible	4 Major	16 ◀▶	RED	Uncertain
SR13	Keeping vulnerable adults safe from harm and abuse	3 Possible	4 Major	12 ◀▶	AMBER	Adequate
Risk No.	Risk Title	Revised Risk Score		Revised Risk Score (L x I) Direction of Travel	Revised Risk Rating	Effectiveness of Controls
		Likelihood (L)	Impact (I)			

SR15	Keeping children safe from harm and abuse	3 Possible	4 Major	12 ◀▶	AMBER	Adequate
SR10	Information Governance Management	3 Possible	4 Major	12 ◀▶	AMBER	Adequate
SR17	School Places Planning	3 Possible	4 Major	12 ◀▶	AMBER	Adequate
SR20	Ability of health and social care to integrate services at a local level to deliver timely and appropriate interventions	3 Possible	4 Major	12 ◀▶	AMBER	Adequate
SR21	Housing Pressures	3 Possible	4 Major	12 ◀▶	AMBER	Adequate
SR29	Contract Management	3 Possible	4 Major	12 NEW	AMBER	Adequate
SR24	Welfare Reform	4 Likely	3 Moderate	12 ◀▶	AMBER	Uncertain
SR25	Organisational Capacity as a Results of Change	4 Likely	3 Moderate	12 ◀▶	AMBER	Uncertain
SR27	Devolution	4 Likely	3 Moderate	12 ◀▶	AMBER	Adequate
SR22	Modernising the Council	3 Possible	3 Moderate	9 ◀▶	AMBER	Adequate
SR26	Council's relationship with Citizens	3 Possible	3 Moderate	9 ◀▶	AMBER	Adequate
SR23	Developing an investment strategy to refurbish and develop the city's major asset of the seafront	3 Possible	3 Moderate	9 ◀▶	AMBER	Adequate

5. CONSULTATION

- 5.1 Consultation has taken place with the council's ELT; all Directorate Management Teams; and representatives of all the political parties.
- 5.2 The SRR will be sent to the City Management Board partners for information which reflects the city wide performance and risk management approach.

6. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

- 6.1 The SRR reflects a number of risks which have potential significant implications for the authority either directly or indirectly. The Risk Owners are responsible for overseeing the effective management of the risks as detailed in Appendix 1 and for highlighting financial risks through the budget monitoring process and budget strategy development.

Finance Officer Consulted: James Hengeveld

Date: 29/11/16

Legal Implications:

- 6.2 This report comes before Audit & Standards Committee in order for the Committee to discharge its functions of providing independent assurance of the adequacy of the council's risk management and associated control environment. Having reviewed the latest SRR, the Committee may, if it considers it appropriate, make recommendations to Full Council, Policy, Resources and Governance Committee, one or more officers or another relevant body in the council.

Lawyer Consulted: Victoria Simpson

Date: 27/11/16

- 6.3 Equalities Implications:

There are no direct equalities implications. Equalities will be incorporated as appropriate across all Strategic Risks by the officers responsible for taking actions.

- 6.4 Sustainability Implications:

The risk management process includes identification and management of sustainability issues. Sustainability will be incorporated as appropriate across all Strategic Risks by the officers responsible for taking actions.

- 6.5 Any Other Significant Implications:

None.

SUPPORTING DOCUMENTATION

Appendices:

1. Strategic Risk Register Report December 2016

Documents in Members' Rooms

1. None.

Background Documents

1. Risk Management Strategy 2014 – 2017.

