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|--------------------------|---|--|--------------------------|
| Subject: | Strategic Risk Focus: SR13, SR20, SR33 and SR32 | | |
| Date of Meeting: | 17 September 2019 | | |
| Report of: | Executive Lead for Strategy, Governance & Law (Monitoring Officer) | | |
| Contact Officer: | Name: | Jackie Algar | Tel: 01273 291273 |
| | Email: | jackie.algar@brighton-hove.gov.uk | |
| Ward(s) affected: | (All Wards); | | |

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 the Committee focuses on at least two Strategic Risks at each of their meetings.
- 1.2 This report also provides the Committee with details of any changes to the city council's Strategic Risk Register (SRR) last reviewed by the Executive Leadership Team (ELT) on 14 August 2019.
- 1.3 The Strategic Risk Focus is based on detail provided in Appendix 1 of this report which records the actions taken (existing controls) and future actions (risk actions) to manage these strategic risks.
- 1.4 The officers available to answer Members' questions will be Rob Persey, Executive Director Health & Social Care, for SR13, SR20 and SR33 and for SR32, David Kuenssberg, Executive Director Finance & Resources.

2. RECOMMENDATIONS:

That the Audit & Standards Committee:

- 2.1 Note in paragraphs 3.3 the changes to the council's SRR as agreed at ELT on 14 August 2019.
- 2.2 Note Appendix 1 for details of SR13, SR20, SR33 and SR32.
- 2.3 Note Appendix 2 'Information on the council's risk management process relative to Strategic Risks (SRs); and Suggested questions for Members to ask Risk Owners and officers on Strategic Risks'.
- 2.4 Having considered Appendix 1 and any clarification and/or comments from the officers, the Committee makes any recommendations it considers appropriate to the relevant council body.

3. CONTEXT/ BACKGROUND INFORMATION



- 3.1 The SRR details the current prioritised risks which may affect the achievement of the council’s Corporate Plan purpose, including in relation to its work with other organisations across the city. It is reviewed and agreed by ELT quarterly after DMT reviews which include discussions of their individual Directorate Risk Lists which influence Directorate service activity through delivery of Directorate Plans.
- 3.2 Appendix 2 is intended to provide information on the council’s risk management process relative to Strategic Risks (SRs) and is attached as a separate appendix in order to provide background reference and enable Members to focus on the changes to the SRR and any changes to the risk management process by the ELT.
- 3.3 Summary of changes to the SRR as a result of the ELT review on 14th August 2019.













The SRR is a public document which is supported by data collected on CAMMS Risk, a module of CAMMS Strategy. A detailed report is provided at Appendix 2 but below is Table 1 showing the current 18 Strategic Risks in order of the highest Revised Risk score as agreed after ELT on 14 August 2019 and informed by Directorate Risk Management risk review sessions in June – July 2019.











As a result of ELT’s review note that:









- i. no risks were removed or added;
- ii. a Revised Risk Score was agreed for SR36 due to formulation of further actions. No other risk scores were changed;
- iii. the title of SR20 is shortened from its previous risk title as reported to Committee on 23 July 2019 which was:
 ‘Inability to integrate health and social care services at a local level to the agreed timescales has been primarily caused by both unplanned budget reductions impacting upon council budgets and services and system wide restructuring of Clinical Commissioning Groups (CCGs) across Sussex which has distracted attention from the local position’.





Table 1 Strategic Risks

| Risk Nos. | Risk Title | Initial Risk Score Likelihood (L) x Impact (I) & Direction of Travel (DOT) | Revised Risk Score Likelihood (L) x Impact (I) & DOT | Committee & Chair | Risk Owner |
|-----------|---|--|--|---|--|
| SR20 | Failure to achieve health and social care outcomes due to organisational and resource pressures on the Clinical Commissioning Group (CCG) and Brighton & Hove | 5 x 4 ◀▶  RED | 4 x 4 ◀▶  RED | Health & Wellbeing Board – Cllr Moonan | Executive Director, Health & Adult Social Care |

| | City Council (BHCC) | | | | |
|-----------|--|--|--|--|--|
| Risk Nos. | Risk Title | Initial Risk Score Likelihood (L) x Impact (I) & Direction of Travel (DOT) | Revised Risk Score Likelihood (L) x Impact (I) & DOT | Committee & Chair | Risk Owner |
| SR2 | The Council is not financially sustainable | 5 x 4 ◀▶  RED | 4 x 4 ◀▶  RED | Policy & Resources Committee – Cllr. Platts | Executive Director, Finance & Resources |
| SR32 | Sub-standard health & safety measures lead to personal injury, prosecution, financial losses and reputational damage | 5 x 4 ◀▶  RED | 4 x 4 ◀▶  RED | Policy & Resources Committee – Cllr. Platts | Executive Director, Finance & Resources |
| SR33 | Not providing adequate housing and support for people with significant and complex needs | 4 x 4 ◀▶  RED | 3 x 4 ◀▶  AMBER | Health & Wellbeing Board – Cllr. Moonan Housing & New Homes Committee – Cllr. Allcock | Executive Director, Health & Adult Social Care |
| SR18 | The organisation is unable to deliver its functions in a modern, efficient way due to the lack of appropriate technology | 4 x 4 ◀▶  RED | 3 x 4 ◀▶  AMBER | Policy & Resources Committee – Cllr. Platts | Executive Director, Finance & Resources |
| SR10 | Corporate Information Assets are inadequately controlled and vulnerable to cyber attack | 4 x 4 ◀▶  RED | 4 x 3 ◀▶  AMBER | Policy & Resources Committee – Cllr. Platts | Executive Director, Finance & Resources |
| SR35 | Unable to manage serious risks and opportunities resulting from the impact of Brexit on the local and regional society and economy | 4 x 4 ◀▶  RED | 4 x 3 ◀▶  AMBER | Policy & Resources Committee – Cllr. Platts | Executive Lead Officer, Strategy, Governance & Law |

| Risk Nos. | Risk Title | Initial Risk Score Likelihood (L) x Impact (I) & Direction of Travel (DOT) | Revised Risk Score Likelihood (L) x Impact (I) & DOT | Committee & Chair | Risk Owner |
|-----------|---|--|--|--|---|
| SR36 | Not taking all actions required to address climate and ecological change, and making our city carbon neutral by 2030 | 5 x 4 ◀▶  RED | 4 x 4 NEW  RED | Environment, Transport & Sustainability Committee – Cllr. Pissaridou | Executive Director, Economy, Environment & Culture |
| SR13 | Not keeping Vulnerable Adults Safe from harm and abuse | 3 x 4 ◀▶  AMBER | 3 x 3 ◀▶  AMBER | Health & Wellbeing Board – Cllr. Moonan | Executive Director, Health & Adult Social Care |
| SR21 | Unable to manage housing pressures and deliver new housing supply | 3 x 4 ◀▶  AMBER | 3 x 3 ◀▶  AMBER | Housing & New Homes Committee – Cllr. Allcock | Executive Director, Neighbourhoods, Communities & Housing |
| SR25 | The lack of organisational capacity leads to sub-optimal service outcomes, failure to meet statutory obligations, and reputational damage | 3 x 4 ◀▶  AMBER | 3 x 3 ◀▶  AMBER | Policy & Resources Committee – Cllr. Platts | Executive Director, Finance & Resources |
| SR24 | The impact of Welfare Reform increases need and demand for services | 4 x 3 ◀▶  AMBER | 3 x 3 ◀▶  AMBER | Policy & Resources Committee – Cllr. Platts | Executive Director, Finance & Resources |
| Risk No. | Risk Title | Initial Risk Score Likelihood (L) x Impact (I) & Direction of | Revised Risk Score Likelihood (L) x Impact (I) & DOT | Committee & Chair | Risk Owner |

| | | Travel (DOT) | | | |
|-----------|--|--|--|---|---|
| SR23 | Unable to develop and deliver an effective Investment Strategy for the Seafront and ensure effective maintenance of the seafront infrastructure | 3 x 4 ◀▶  AMBER | 3 x 3 ◀▶  AMBER | Environment, Transport & Sustainability Committee – Cllr. Pissaridou Tourism, Equalities, Communities & Culture – Cllr. Robins | Executive Director, Economy, Environment & Culture |
| SR26 | Not strengthening the council's relationship with citizens | 3 x 4 ◀▶  AMBER | 3 x 3 ◀▶  AMBER | Tourism, Equalities, Communities & Culture Committee – Cllr. Robins | Executive Director, Neighbourhoods, Communities & Housing |
| SR29 | Ineffective contract performance management leads to sub-optimal service outcomes, financial irregularity and losses, and reputational damage | 3 x 4 ◀▶  AMBER | 3 x 3 ◀▶  AMBER | Policy & Resources Committee – Cllr. Platts | Executive Director, Finance & Resources |
| SR30 | Not fulfilling the expectations of residents, businesses, government and the wider community that Brighton & Hove City Council will lead the city well and be stronger in an uncertain environment | 3 x 4 ◀▶  AMBER | 3 x 3 ◀▶  AMBER | Policy & Resources Committee – Cllr. Platts | Chief Executive |
| Risk Nos. | Risk Title | Initial Risk Score Likelihood (L) x Impact (I) & Direction of Travel (DOT) | Revised Risk Score Likelihood (L) x Impact (I) & DOT | Committee & Chair | Risk Owner |

| | | | | | |
|------|---|--|---|---|---|
| SR34 | Ambitions to improve offer for staff which have been stated in Our People Promise may not be realised | 3 x 4 ◀▶  AMBER | 2 x 3 ◀▶  YELLOW | Policy & Resources Committee – Cllr. Platts | Executive Director, Finance & Resources |
| SR15 | Not keeping Children Safe from harm and abuse | 3 x 4 ◀▶  AMBER | 2 x 3 ◀▶  YELLOW | Children, Young People & Skills Committee – tbc | Executive Director, Families, Children & Learning |

- 3.4 Appendix 2 provides ‘Information on the council’s risk management process relative to Strategic Risks (SRs) and Suggested questions for Members to ask Risk Owners and officers on Strategic Risks’. It is intended to assist Members to scrutinise the information in Appendix 1 and ask questions of the Strategic Risk Owners and officers in order to assist Members on their assurance role at this Committee.

4. FINANCIAL & OTHER IMPLICATIONS

Financial Implications

- 4.1 For each Strategic Risk there is detail of the actions already in place (‘Existing Controls’) or work to be done as part of business or project plans (‘Risk Actions’) to address the strategic risk. Potentially these may have significant financial implications for the authority either directly or indirectly. The associated financial risks are considered during the Targeted Budget Management process and the development of the Medium Term Financial Strategy.

Finance Officer Consulted: James Hengeveld

Date: 08/08/2019

Legal Implications

- 4.2 Members of this Committee are entitled to any information, data and other evidence which they consider will enable them to reach an informed view regarding whether the council’s Strategic Risks are being adequately managed. The Committee may make recommendations based on any conclusions it comes to.
- 4.3 The individual Strategic Risks which are focused on in this Report may potentially have legal implications. Where those implications are of a direct nature, they are noted in the Report or in the appendices to it.

Lawyer Consulted: Victoria Simpson

Date: 28/08/2019

SUPPORTING DOCUMENTATION

Appendices:

1. Appendix 1: Strategic Risk Focus report: SR13, SR20, SR33 and SR32.
2. Appendix 2: Information on the council's risk management process relative to Strategic Risks (SRs) and Suggested questions for Members to ask Risk Owners and officers on Strategic Risks.

