

## STRATEGIC RISK REGISTER – Full Review March 2019

### 1. Purpose of the Report

- 1.1 The Strategic Risk Register (SRR) contains high level risks which are considered to be significant potential obstacles to the overall achievement of the Council's corporate objectives.
- 1.2 Like all risk registers, it is important that the SRR remains up to date and is reviewed regularly in order to accurately reflect the most significant risks to the achievement of corporate objectives and facilitate the timely and effective mitigation of those risks.
- 1.3 Following a review of the SRR in October 2018, a further review of the SRR was undertaken in March 2019. The outcomes of that review are detailed in the body of this report.

### 2. Recommendation

#### 2.1 It is recommended that Cabinet:

- i. confirms that the current strategic risks articulated within the SRR reflects the current position of the Council;
- ii. considers the content of this report, and continues to commit to support the Corporate Risk Management process and the embedding of a Risk Management culture within the organisation; and,
- iii. notes the intention to carry out a review of the Councils Strategic Risk Register following the 2019 Peer Review findings.

### 3. Introduction and Background

- 3.1 The Introduction and Background to the SRR has been included as an appendix to previous reports, and can now be located on the BMBC intranet [here](#).

### 4. Highlights Arising from the March 2019 Review

- 4.1 The main issues and changes arising from the March 2019 review are shown below:

Significant / 'Red' Risks:

- 4.2 Risk 3026: Failure to achieve a reduction in health inequalities within the Borough:

<b>Risk:</b>	<b>Risk Owner:</b>
Risk 3026 – Failure to achieve a reduction in health inequalities within the Borough.	Director of Public Health
<b>Consequences:</b>	
Health inequalities persist. Life expectancy in Barnsley remains well below the national average. Such health inequalities challenge not just the health and social care services but everyone interested in the future prosperity and well-being of the borough.	

<b>Mitigations:</b>
Delivery of Public Health Strategy and Action Plan (2018 – 2021)
Local Accountable Care Partnership – working across whole system
In-depth review of Health and Well Being Board

During the review meeting in March, the Director of Public Health confirmed that the risk score should not be changed. It was agreed to leave this risk on the SRR with a 'red' concern rating as:

- The risk is still relevant to the Councils objectives, and in particular the 'People achieving their Potential' priority which is underpinned by having stakeholders who are 'healthier, happier, independent and active; and,
- Further analysis of the data that underpins this risk (relating to current life expectancy) provides evidence that this risk is not improving.

New and Deleted Risks:

4.3. The total number of risks logged in the SRR has changed:

- Risk 3033 ('Failure to adapt the Authority into a sustainable organisation - 'Failure to maintain current services') has been removed and the replacement risk 4154 ('*Failure to ensure that the Future Council model is sustainable and provides the best services and outcomes possible to our customers*') has already been logged on the SRR; and,
- Risk 4271 ('Failure to ensure the Digital First Programme objectives are met through the robust management of Digital First Themes and the application of proportionate project management and governance activities') has been added to the SRR.

Re-Assessed Risks:

4.4. A number of risks have been reassessed, resulting in changes to risk concern ratings as follows:

- Risk 3543 ('Failure to ensure the adequate supply of land for housing and commercial property growth') has been improved from an amber '4' to a green '5' to reflect the benefits of having the Local Development Framework ('Local Plan') approved in January 2019; and,
- Risk 3022 ('Inability to direct corporate strategy') has been reassessed from a green '5' to an amber '4' to reflect proposed changes to the Scrutiny Committee structures, and allow time for these new arrangements to bed in;

Other Material Changes:

4.5. Details of all SRR risk concern ratings, including a direction of travel indicator to provide details of the 'trend' of the SRR risk profile are included as Appendix One to this report.

## 5. Risk Profile

5.1 The risk profile for the SRR is now presented within the 'highlight' report, included as Appendix Three of this report.

5.2 In order to improve the overall readability of Strategic Risk reports, and following comments made at previous Cabinet and SMT meetings, the 'highlight' report has been developed with the assistance

of an external communications and marketing company. The report is designed to present the SRR and key information in a simple, visual easy to understand format.

5.3 This summary document is envisaged to be published on the Councils internet to enable stakeholders and other interested parties the opportunity to better understand our risk management arrangements and to increase the overall transparency of strategic risk. It is also intended to assist in engaging with employees at all levels, which will assist in adopting a culture across the organisation that makes risk management everyone's business.

5.4 The slight improvement in the average concern rating from October 2018 is directly attributable to the changes detailed in section 4 of this report.

## **6. Assurance**

6.1 This report and the SRR (which is attached to this report as Appendix Two) itself has been submitted to the Audit Committee at their meeting dated 17<sup>th</sup> April 2019, in order to provide assurances that these significant risks are being managed appropriately.

6.2 The Audit Committee have expressed a clear interest in receiving assurance from Cabinet that appropriate challenge and scrutiny of corporate risk management arrangements take place, and engagement with significant risks through reports on the SRR will be a key source of assurance. The Audit Committee will be informed of the outcomes of Cabinet's consideration of the SRR.

## **7. Future Review of the SRR**

7.1 The recent Corporate Peer Review stated, as one of its key findings, that the strategic risk register contains a large number of risks and recommended some refinement to enable SMT to focus their attention on the current key risks. In the light of this recommendation, it is intended to carry out a review of the SRR and the outcome of this review will be reported into Cabinet in the near future.

## **8. Delivering Corporate Plan Ambitions**

8.1 The SRR lists those significant risks which could impact upon the delivery of the Council's priorities and objectives, as set out in the Council's Corporate Plan. Risks within the SRR are directly linked to the Corporate Plan in order to ensure that the register is focused upon those risks which are considered to be significant potential obstacles to the achievement of corporate objectives.

## **9. Risk Management Issues**

9.1 The report focuses on the further development of the SRR and the contribution this will make to the embedding of a risk management culture throughout the Council.

9.2 Failure to develop the SRR will present a significant risk to the successful implementation of the required Risk Management culture within the Council.

## **10. Financial Implications**

10.1 There are no specific financial implications arising directly from this report, although there is often a cost in taking (or not taking) specific actions that are identified through the risk management

process. Most individual Cabinet Reports have financial implications and so the application of good risk management practices is vital to ensure the most effective use of resources.

## **11. Appendices**

**Appendix One: Direction of Travel / Trend Report March 2019**

**Appendix Two: Full SRR as at March 2019**

**Appendix Three: Strategic Risk Highlight Report March 2019**

## **12. Background Papers**

12.1 Various papers and electronic files and risk registers are available for inspection at the Westgate Plaza One offices of the Council.

**Contact Officer: Strategic Risk, Insurance and Governance Manager**

**Date: 13<sup>th</sup> March 2019**

**Appendix One: Direction of Travel / Trend Report (March 2019)**

<b>Risk Number</b>	<b>Risk Title</b>	<b>Direction of Travel</b>	<b>Mar 2019</b>	<b>Oct 2018</b>	<b>Mar 2018</b>	<b>Oct 2017</b>	<b>Mar 2017</b>	<b>Oct 2016</b>
3543	Failure to ensure the adequate supply of land for housing and commercial property growth	Improving ↑	5	4	4	4	4	4
4170	Failure to ensure the Glassworks Programme delivers the appropriate levels of retail, market and leisure space that allows for a robust level of return on investment to be made that allows the Council to recover its borrowing within a suitable timescale and deliver the positive impacts on the Town Centre and wider economic landscape	Maintaining ↔	3	3	3	-	-	-
3025	Failure to Safeguard Vulnerable Service Users	Maintaining ↔	4	4	3	3	3	3
4248	Lack of adequate qualifications at L3 and above to progress through to further and higher education	Maintaining ↔	3	3	-	-	-	-
3026	Failure to achieve a reduction in health inequalities within the Borough	Maintaining ↔	2	2	2	2	2	2
3047	Failure to protect the population from preventable health threats	Maintaining ↔	3	3	3	3	3	3
3023	Failure to consult and engage with Stakeholders	Maintaining ↔	5	5	5	4	4	3
3792	Failure to be prepared to assist in the event of an emergency resilience event in the region	Maintaining ↔	3	3	2	2	2	2
3793	Failure to ensure that appropriate disaster recovery arrangements are in place to ensure the Council is able to recover in the event of a business continuity threat or incident	Maintaining ↔	3	3	2	2	2	2
3022	Inability to direct Corporate Strategy	Worsening ↓	4	5	4	3	3	3
3028	Workforce planning issues	Maintaining ↔	3	3	3	3	3	3
3029	Failure to safeguard personal and identifiable information	Maintaining ↔	3	3	3	4	4	4

Risk Number	Risk Title	Direction of Travel	Mar 2019	Oct 2018	Mar 2018	Oct 2017	Mar 2017	Oct 2016
3031	Strategic Performance, Governance or Compliance failure	Maintaining ↔	4	4	4	4	4	4
3034	Failure to deliver the Medium Term Financial Strategy ('Failure of the Future Council to be able to deliver the required level of savings')	Maintaining ↔	4	4	4	4	4	3
3035	Loss of assets and resources as a result of one-off incident of fraud / corruption / bribery or a sustained or widespread occurrence	Maintaining ↔	3	3	3	3	3	3
3794	Failure to ensure the governance arrangements underpinning and controlling the emerging City Region Deal Devolution Deal enable an appropriate blend of risk and reward for the Council	Maintaining ↔	3	3	3	3	4	4
4154	Failure to achieve the full benefit of our change work to date and to ensure it is sustainable for the future	Maintaining ↔	4	4	4	-	-	-
4249	Failure to ensure that the Council is able to fully understand the implications of BREXIT, and is able to ensure that opportunities that may arise are fully understood and exploited, and that risks arising from BREXIT are understood and mitigated	Maintaining ↔	3	3	-	-	-	-
4271	Failure to ensure the Digital First Programme objectives are met through the robust management of Digital First Themes and the application of proportionate project management and governance activities	n/a	4	-	-	-	-	-
3699	Failure to ensure the Council's commercial / trading arm is effective in its operations, and is a well governed organisation	n/a	Closed	Closed	4	4	4	4
3024	Lack of Educational Attainment	n/a	Closed	Closed	4	4	4	4
3033	Failure to adapt the Authority into a sustainable organisation ('Failure to maintain current Services')	n/a	Closed	4	4	4	4	4
3514	Failure to be able to deliver the ambitions and outcomes associated with the Customer Service Organisation (CSO) Programme	n/a	Closed	Closed	4	4	4	4

Key	
1	Category One
2	Category Two
3	Category Three
4	Category Four
5	Category Five
6	Category Six