

CYNGOR SIR POWYS COUNTY COUNCIL.

CABINET EXECUTIVE

Tuesday 9th May 2023

REPORT AUTHOR: County Councillor Cllr David Thomas
Portfolio Holder for Cabinet Member for Finance and Corporate Transformation

REPORT TITLE: Strategic Risk Register Report Quarter 4 2022/2023

REPORT FOR: Decision

1. Purpose

- 1.1 The purpose of this report is to set out the Council's latest position on managing its key risks, contained in the Strategic Risk Register (SRR).

2. Background

- 2.1 Our Strategic Risk Register is key to safeguarding the organisation and building resilience into our services. At a time when the Council has faced and is still facing unprecedented challenges, the effective management of risk is needed more than ever. A risk-managed approach to decision making will help us to achieve the well-being objectives in Stronger, Fairer, Greener: Our Corporate plan, deliver services more efficiently and using innovative and cost-effective means.

3. Advice

- 3.1 To ensure a risk managed approach to decision making and good governance of the Council, it is proposed that Cabinet.
- Review progress to mitigate strategic risks
 - Review SRR proposals

Review of progress to mitigate Strategic Risks

- 3.2 As at the end of quarter 4 2022-2023, there are 16 risks on the strategic risk register and all strategic risk owners have been asked to provide a short summary of progress since last quarter, to give assurance that mitigating actions are being actioned and monitored.
- 3.3 Please see appendix A for full details of the 16 strategic risks including the mitigating actions identified to control them and progress reviews.

3.4 Please see appendix B to view a heat map which presents the results of the quarter 4 risk assessment process visually. It highlights (for the residual risks) the following:

Six out of the sixteen risks have a probability of 'likely' and an impact of 'major' and one has a probability of 'likely' and an impact of 'catastrophic'.

De-escalation of risks to the Strategic Risk Register

3.5 EMT would like to de-escalate the following risk:

PCC0005: IF there is a pandemic breakout or any other ILI's (influenza like illness) resulting in increased staff absenteeism; Increase demand for services from residents: Increased workload for council staff; Closure of Council premises, THEN there will be an increased workload for remaining council staff and increased service demand.' Rating score 9.

It is now considered appropriate to deescalate this risk from the SRR on to EMTs Risk Register where it will be continued to be managed by Nigel Brinn, Executive Director for Economy and Environment. The risk will be routinely monitored via the newly formed Health Protection Team (PtHB / PCC) which will continually review ongoing advice from Public Health Wales and other such bodies. Oversight will be maintained via the Health Protection Strategic Oversight Group. The risk will then be re-evaluated in the autumn as part of the winter planning for 2023/24.

Service risk scored 15 or above for consideration

3.6 As per our Risk Management Framework any risk that is scored 15 or above must be considered for escalation by SLT.

The following table contents the risks that fall into this category and proposal whether to escalated or not.

Risk Ref	Residual Rating	Risk Identified	Service Area	Owner	Proposal to escalate or not	Reasoning
CS0092	16	Not for Profit making strategy to be implemented by the end of the financial year in 2025	Children's Services	Sharon Powell	No	Successfully being managed on service risk register
PPP P0018	16	Non-compliance with WG planning enforcement objectives.	PPPP	Gwilym Davies	No	Successfully being managed on service risk register in line with a review of controls by service area.
PPP P0019	16	Non-compliance with Local Development	PPPP	Gwilym Davies	No	Successfully being managed on service risk register

		Plan (LDP) delivery agreement				
ECO 008	16	Delay in PCC assessing potential new tenants	Transformation Programme Extra Care	Rosalyn Murphy	No	As per the risk management framework this has been highlighted to the Programme Delivery Manager and the Programme Manager to be considered by the relevant programme board as to whether it needs to be escalated.
BRY NHS 0068	16	Scheme opening - Resources	Transformation Programme Brynllwarch Hall School	Sarah Astley (Dee Davies)	No	
BRD ECO 0011	15	Adaptions assessment by OT Team	Transformation Programme Brecon design & construction	Rosalyn Murphy	No	

National Security Risk Assessment

3.7 Work has taken place regarding the National Security Risk Assessment published Dec 2022. Some elements are controlled and managed by our civil contingencies and business continuity plans. However, having reviewed the NSRA, some risks have been highlighted to the relevant services, and discussions taken place whether it needs to go on their service risk register and be managed by the Council, or it is sufficiently covered in their business continuity plan.

SWAP Audit into Risk Management March 2023

3.8 Internal Audit found the Council 'reasonable' for their investigation into ensuring the Council has a planned and systematic approach to the identification, evaluation and management risks to control the probability and/or impact of unfortunate events, or to maximise the realisation of opportunities. In summary the Council has made progress in its risk maturity journey moving from assessment rating 2 to 3 in the criteria levels of leadership, risk strategy, people, partnership, risk handling and outcomes. Demonstrating clear improvement at the higher organisational levels of the Council however improvement is needed at the lower levels to strengthen risk management across the Council. The full report can be found in appendix C alongside its action plan response.

Risk Management Improvement

- 3.9 The previous 2019 Risk Management framework has been reviewed and updated and is scheduled to go to SLT on 10th May, Governance and Audit 23rd June and Cabinet 11th July 2023 for approval.
- 3.10 During the last quarter a few improvements have been made to the reporting and monitoring of risks in JCAD.
- A decision was made to activate the functionality in JCAD to improve the management of controls (mitigation). By populating these new categories, it will enable senior management as well as Governance & Audit to gain greater insight to the progress of controls, accountability and offer assurance that the Council is successfully managing risk.
 - Since Cabinet approved the 'Risk Appetite' for the Council in March the previous field of 'source' has been changed to 'Organisational activity' to support the new appetite categories.

4. Resource Implications

- 4.1 There are no direct resource implications in relation to this report however all risk owners need to consider the resource implications of managing the risk and decide if the best course of action is to tolerate or treat.
- 4.2 The Strategic Risk Register outlines the key risks to the Council's activities, as well as risk to delivery of objectives contained within the Corporate Improvement Plan. There are no direct financial implications from the report although these may arise as new risks are identified on an on-going basis.

The Head of Finance (Section 151 Officer) notes the comment above, financial implications are identified through the relevant service and are considered through the financial management processes in line with the authorities' financial regulations. All services are considering the financial impact of any risks that are expected to continue into 2023/24 and beyond in their Service Integrated Business Plans.

5. Legal implications

- 5.1 Legal: The recommendations can be accepted from a legal point of view
- 5.2 The Head of Legal Services and the Monitoring Officer has commented as follows: " I note the legal comment and have nothing to add to the report".

6. Data Protection

- 6.1 N/A

7. Comment from local member(s)

- 7.1 N/A

8. Integrated Impact Assessment

- 8.1 N/A. The Service Risk Register is not setting out any changes or proposals to service delivery.

9. Recommendation

It is recommended that Cabinet notes the current Strategic Risk Register, and is satisfied with progress against mitigating actions for quarter 4, and approves the de-escalation of PCC0005 (detailed under point 3.5) from the Strategic Risk Register.

The recommendation above will ensure:

- **Appropriate understanding and management of strategic risks which could prevent us from achieving our objectives**
- **A risk managed approach to decision making and good governance of the Council**

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