

CYNGOR SIR POWYS COUNTY COUNCIL.

CABINET EXECUTIVE
Tuesday 25th March 2025

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

REPORT TITLE: Strategic Risk Register Report Quarter 3 2024/2025

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 tough 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, including the updated mitigations and scoring, and consider if other risks should be escalated to the SRR.

Review of progress to mitigate Strategic Risks

- 3.2 As at the end of quarter 3 2024-2025, there are 15 risks on the strategic risk register and all strategic risk owners have provided 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 15 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 3 risk assessment process visually. It highlights (for the residual risks) the following:

One has a probability of 'almost certain' and an impact of 'major', one has a probability of 'almost certain' and an impact of 'moderate', four have a

probability of 'likely' and an impact of 'major' and three have a probability of 'likely' and an impact of 'severe'.

- 3.5 During Qtr. 3 no risks have changed their probability or impact rating.

De-escalation of risk to the Strategic Risk Register

- 3.6 Adult services would like to de-escalate the following risk:

ASC0066: IF a Social Care provider(s) fail THEN the pressure on care homes, domiciliary care providers, supported living and other providers would become unsustainable.

Reasoning: The service feels this risk can be robustly managed at a service level and no longer needs corporate oversight. The risk originated due to the unique risks presented during Covid and in response to one specific provider issue which no longer exists. The mitigation actions in place are sufficiently robust to provide early alert and identify signs of provider failure to be able to respond quickly and reduce failure occurring. In addition, the contingency arrangements such as increased use of direct payments and domiciliary care are more assured with sustained evidence of increased capacity and delivery achieved via the ongoing Care at Home transformation programme. Work is also underway to ensure sufficient capacity and delivery of accommodation-based support with the older persons market position statement being completed and informing the strategic review of the Powys Owned Care Homes.

- 3.7 SLT/CLT would like to de-escalate the following risk:

IAWARD0009: If the Council is susceptible to higher levels of fraud as people struggle with the cost-of-living crisis and as organised fraud take advantage of the challenging environment. This could lead to lost income revenues or increased service provision costs

Reasoning: It is felt the risk is being robustly managed at a service level and no longer needs corporate oversight. The situation has remained consistent for the last 4 quarters. Regular reporting on current work activities and performance has been and will continue to go to Governance and Audit committee as well as ongoing monitoring of compliance with Corporate Mandatory Fraud Awareness training across service areas by Heads of Service.

Escalation of risk to the Strategic Risk Register

- 3.8 Education services would like to escalate the following risk:

ED0056: If standards in school leadership and teaching and learning decline in Powys schools, and learners underperform compared to learners in similar schools in Wales, then educational outcomes in Powys will be below local and national expected standards, leading to reduced opportunities for our learners, decreased parent/carer and stakeholder satisfaction, and potential reputational damage.

Reasoning: There has been an increase in the number of secondary and all-age schools in Powys falling into an Estyn category. This trend indicates that these schools are not meeting the required standards and Powys's educational vision. The implications of this increase are significant, as it could lead to a decline in the quality of education provided to Powys learners, affecting their academic performance and future opportunities. The service would therefore like to escalate the risk to the strategic risk register to ensure Cabinet have oversight of the managed risk and its progress to reduce the current probability and impact.

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 notes the comment above, financial implications are identified through the relevant service and are considered through the financial management processes in line with the authority's financial regulations. All services are considering the financial impact of any risks that are expected to continue into 2025-26 and beyond in their Service Integrated Business Plans.

5. Legal implications

- 5.1 Legal: Comment sought
- 5.2 The Head of Legal Services and the Monitoring Officer has commented as follows: Comment sought

6. Climate Change and Nature Implications

There is a strategic risk regarding climate and another on nature. Both topics are considered by all services when assessing and managing risk.

7. Data Protection

- 7.1 N/A

8. Comment from local member(s)

- 8.1 N/A

9. Integrated Impact Assessment

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

10. Recommendation

It is recommended that Cabinet notes the current Strategic Risk Register and is satisfied with progress against mitigating actions for quarter 3, approves the de-escalation of ASC0066 and IAWARD0009 (detailed under point 3.6 & 3.7).

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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