

# RISK MANAGEMENT MONITORING REPORT

February 2023



## 1. Introduction

- 1.1. This report provides the position with regard to the strategic and operational risk registers.
- 1.2. The next formal review of the strategic risk and opportunity register will take place in March 2023, the operational risk register will also be reviewed at this time. Risk registers are however a live document and will be regularly discussed at Directorate Management Teams.

## 2. Strategic Risk Register – Monitoring Summary

- 2.1. Two risks have been identified as sufficiently mitigated and have been moved to the operational register. These are -
  - The Council not meeting its obligation to keep data secure by failing to adhere to Data Protection Act 2018 Regulations.
  - The Council not meeting its legal obligations regarding the health, safety and wellbeing of its workforce.



## 3. Strategic Risk Register

The strategic risks pertinent to the Committee are shown in the tables overleaf.

### 3.2 Strategic Risk update table one

Table one provides an update on strategic risks with mitigation that is fully influenced by Plymouth City Council, one risk is pertinent to the committee.

**Table one – Strategic Risks fully mitigated by Plymouth City Council**

Risk Register No.	Description	Mitigation	Risk Score	Previous risk rating	Current risk rating	Risk Owner
1	<b>The Council's expenditure exceeds the resources available to meet that expenditure within the medium term financial plan period (2022/23-2025/26)</b>	<ul style="list-style-type: none"> <li>• The Council has also taken the following steps               <ul style="list-style-type: none"> <li>○ to adopt a 5 year MTFP moving forward rather than a 1 year or 3 year model</li> <li>○ to adopt a system of monthly financial reporting to Directorate Management Teams, Corporate Management Team, and Cabinet and Quarterly to Full Council, with monthly consideration of directorate level financial issues at each Scrutiny Committee</li> </ul> </li> <li>• In addition the Council has introduced a system of detailed monitoring of the delivery of savings targets so that a view is published monthly in Cabinet reports. This will also include any significant issues which emerge from the cost of living crisis. The Council also holds an annual review of fees and charges and has annual and ongoing programmes of work to identify and understand potential savings opportunities. The governance system of the Council - as unpacked in the Annual Governance Statement comprise a rigorous system of financial control.</li> <li>• It is of critical importance to the Council and City that CMT and Cabinet select means of reducing the costs of the Council to fully mitigate the forecast budget shortfalls in future years. This is underway but until this work is completed later in 2022 the risks will remain at the current level.</li> </ul>	25	<b>Red</b>  Red since May 2022	<b>Red</b> 	David Northey

Risk Register No.	Description	Mitigation	Risk Score	Previous risk rating	Current risk rating	Risk Owner
		The Deputy leader/PFH for Finance is meeting each week with S151 Officer and Strategic Director for Customer & Corporate Services to review the 2022/23 Monitoring position. There are also Member & Officer Budget Working Subgroup meetings every 2 weeks to monitor progress on 2023/24 budget.				

### 3.3 Strategic Risk update table two

Table two provides an update on strategic risks with mitigation that is influenced by Plymouth City Council but is also dependent on other outside factors, four of this risks are pertinent to the committee.

No.	Description	Mitigation	Risk Score	Previous risk rating	Current risk rating	Risk Owner
6	<p><b>Insufficient economic performance to sustain the City's economy and growth plans.</b></p> <p>The risk to economic performance is a combination of the ongoing impacts of the long term impacts of Covid 19, inflation (including materials), the war in Ukraine, cost of living crisis on both individuals and businesses</p>	<ul style="list-style-type: none"> <li>The impact of COVID-19 on the economy has been sharp and has affected different sectors of the economy in different ways. Our strong emergency action plan response "Resurgam" has now transitioned to Business As Usual (BAU) activity. Alongside this we are seeking to maximise all opportunities to secure additional funding for economic initiatives including focussing on creating new jobs in the Blue and green economy. The initiatives include: The Plymouth and South Devon Freeport, National Marine Park, Levelling up bids and City Centre Investment Zones. We will continue to maximise all funding opportunities for our city region.</li> </ul>	20	<p>Amber</p> <p>—</p>	<p>Red</p> <p>↑</p>	Anthony Payne

No.	Description	Mitigation	Risk Score	Previous risk rating	Current risk rating	Risk Owner
	<p>and general uncertainty in many sectors.</p> <p>Some of the long-term effects (especially without effective policy instruments) are likely to carry on later into 2022 and beyond.</p>					
17	<p><b>Risk of failing to meet carbon reduction targets to reach net zero by 2030.</b></p>	<ul style="list-style-type: none"> <li>- Year 1, 2 and 3 CCRPs and CEAPs have been prepared to date, covering the period 2020-2022.</li> <li>- The focus of the CCRP is on the things in the direct control of the City Council; the focus of the CEAP is on the wider things the Council is able to influence as well as some of the climate actions of City partners.</li> <li>- The Climate Emergency strategy and action plan process is currently under review, with a view to making revisions from 2023, providing a more strategic approach.</li> <li>- Growth and Infrastructure Overview and Scrutiny Committee receive 6 monthly performance updates</li> </ul>	12	<p><b>Amber</b></p> <p>▬</p>	<p><b>Amber</b></p> <p>▬</p>	Anthony Payne
19	<p><b>Risk of failing to deliver the range of housing to meet Plymouth's need.</b></p>	<ul style="list-style-type: none"> <li>- Current and future actions to consider includes;</li> <li>- Continue to lobby Government/respond to planning reforms seeking changes/assistance</li> <li>- State assistance for Affordable Housing delivery and prioritising Previously Developed Land /Urban housing regeneration</li> <li>- Progress Plan for Homes programme, prioritising interventions to build back AH delivery</li> <li>- New strategic land review to identify further suitable Council owned sites</li> </ul>	9	<p><b>Green</b></p> <p>▬</p>	<p><b>Amber</b></p> <p>↑</p>	Anthony Payne

No.	Description	Mitigation	Risk Score	Previous risk rating	Current risk rating	Risk Owner
		<ul style="list-style-type: none"> <li>- Investigate potential for acquisition of some Plymouth allocated sites i.e. HE intervention</li> <li>- Funding opportunities to unlock PDL sites? i.e. Devolution Deal, HE/DLUHC funding streams</li> <li>- Increase Direct delivery to build pipeline of quality, well designed greener homes</li> <li>- Links to Skills Strategy and links with Building Plymouth for training and employment opportunities</li> <li>- Current activity includes;</li> <li>- Plan for Homes has identified and released 50 Council owned housing sites to the market; working to drive forward delivery on these sites.</li> <li>- Housing Investment Fund in Plan for Homes 3 targeted to support activity to unlock housing delivery to meet identified housing needs; funding either spent, allocated or committed to priority interventions.</li> <li>- Extensive discussions at a senior level with Homes England in attempting to support the creation of a place-based partnership, to unlock future funding to support market interventions and develop a pipeline of housing sites, support City Centre renaissance and to help align Government funding with housing site opportunities.</li> <li>- Launched the Plymouth Eco-Homes Programme to support building a pipeline of over 250 low-carbon and net-zero homes across Plymouth.</li> <li>- Commencing on site the Direct Delivery of new homes to drive up good design, quality and sustainable living, and identifying a pipeline of future sites to support our direct delivery ambitions.</li> <li>- Developed two Housing Partnership Agreements with key Housing Association Partners to maximise their investment and delivery in the city.</li> </ul>				

No.	Description	Mitigation	Risk Score	Previous risk rating	Current risk rating	Risk Owner
		<ul style="list-style-type: none"> <li>- Considering site acquisitions and provided funding to help unlock stalled JLP sites. Reviews of JLP sites completed and monitored, with delivery strategies being implemented.</li> <li>- Secured £2.2m Brownfield Land Release Funding to help unlock 325 affordable homes on PCC owned land.</li> <li>- Ongoing innovation to improve the proactive and fast track approach to planning to deliver housing.</li> <li>- Monitoring development activity in the construction sector to understand the effect of COVID-19 on housebuilding.</li> <li>- We will manage the 5 year land supply position to ensure that decisions on sites are taken using a balanced and objective assessment of market conditions.</li> <li>- Work with the Plymouth Housing Development Partnership to leverage their investment and progress housing projects to stimulate affordable housing delivery, and support SME's to start building again.</li> <li>- Continuing to bring long term empty homes back into use.</li> <li>- Lack of market led delivery leads to lack of AH delivery – PDL delivery challenges vs greenfield, supply of sites left in Plymouth predominantly PDL – viability, demand and high values on greenfield sites in SH/WD</li> <li>- We are not unique in Plymouth- urban lower value cities have fared worse than affluent parts of the SE.</li> </ul>				
21	<b>Viability of commercial bus operators with patronage not yet back to pre-Covid levels, the</b>	<ul style="list-style-type: none"> <li>- Monitor patronage levels locally both fare paying and concession pass holders. Frequent liaison meetings with bus operators. The Council continues to pay concession fare reimbursement above actual level of</li> </ul>	15	<b>Amber</b>	<b>Amber</b>	Anthony Payne

No.	Description	Mitigation	Risk Score	Previous risk rating	Current risk rating	Risk Owner
	<p>ending of Government Bus Recovery Grant in October, failure to secure any funding through our Bus Service Improvement Plan and increasing operating costs means that a number of unviable bus services are being reduced in frequency, re-routed or cut altogether from 4th September 2022.</p>	<p>travel, although this is reducing in line with Government guidance by 5% every 2 months until such time it is less than reimbursement based on actual trips. To address loss of commercial services from 4th September, virements from concession fares reimbursement budget to non-commercial services budget of £557K in 23/24 to pay for non-commercial services secured through competitive tender and enable all areas of Plymouth to continue to have a bus service, at least on Mondays to Fridays. To make the budget go as far as possible, routes have been redesigned where possible to be able to use developer contributions to part or wholly fund some non-commercial routes. Enhanced cleaning regime of buses to continue. Ensure clear messaging by transport providers about maximising messages about maintaining safe travel. In March 2021, the Government announced its new National Bus Strategy "Bus Back Better" making a further £3bn of funding available for the 3 years from April 2022 to significantly improve bus services across the country. In the end only £1bn was available and although PCC has not received any additional BSIP funding from the £1bn released, PCC has confirmed that it will introduce an Enhanced Partnership from the 31st October 2022. At the moment it is not possible to deliver Plymotion to encourage the take up of bus services. Schemes continue to delivered through the Transport Capital Programme to encourage patronage returning to pre-Pandemic levels as soon as possible. Increased commitment to non-commercial services is up until March 2024. Tenders will be sought late in 2023 when it is envisaged that commercial viability on a number of routes will have improved.</p>				

