

# STRATEGIC RISK REGISTER Q2

## Summary



### 1. Risk Monitoring Quarter Two Summary

There are currently 18 risks in total on the Strategic Risk Register. All risks have been updated during the quarter.

#### Strategic Risks

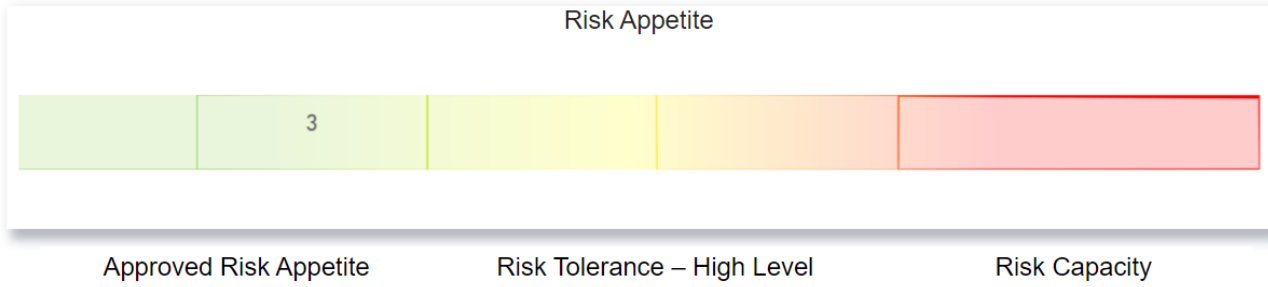
1.1. Since the last reporting period three strategic risks have been removed from the register. The risks removed concern –

- The lack of Adult Social Care workforce – As reported at the last CMT, stability had returned to the work force over the last two quarters. Concerns remain over impacts of national Living Wage and employers NT (covered in a separate risk).
- IT Supply Chain constraints – This risk reduced to a level where it is no longer considered as a strategic risk.
- Senior Leadership Capacity – This risk has been removed following appointments made to the senior leadership team.

### 2. Risk Appetite

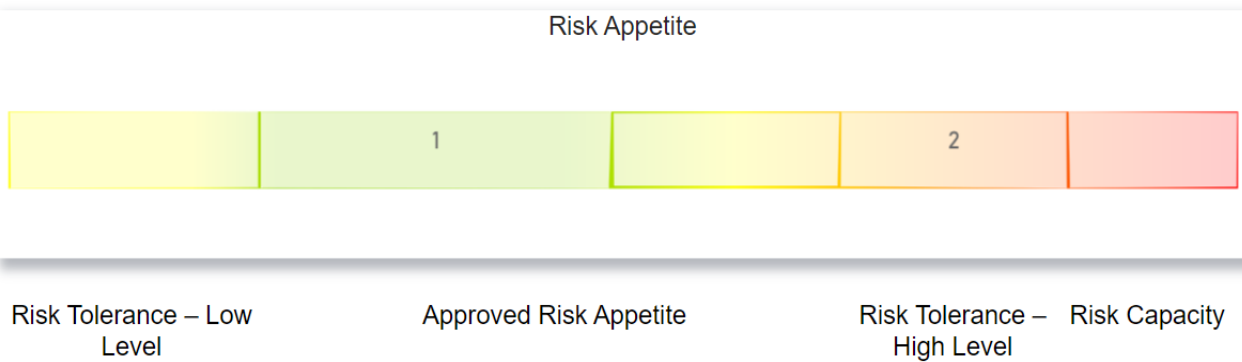
2.1. Risk appetite is the amount of risk, on a broad level, that Plymouth City Council is willing to accept in pursuit of value. Each category of risk has a Risk Appetite as defined in the Risk and Opportunity Management Strategy (2023-2025). Current Risks against risk appetite are identified below.

**Compliance, Regulation and Safeguarding (no appetite for risk)**



The majority of Compliance, Regulation and Safeguarding Risks currently fall within the approved risk appetite. All risks under this category have retained the previous months risk scoring. The risks include Failure to meet statutory duties (Children’s Social Care), insufficient workforce (Children’s Social Care) and keeping data secure.

**Financial (lower appetite for risk)**



2.2. The two significant risks relate which fall outside of our risk appetite are related to –

- The Council’s expenditure exceeds the resources available to meet that expenditure within the MTFS 2024-28.
- Increased and sustained pressure on adult social care budgets.

2.3. Economic Development continue to maintain a lower-level risk in respect of Capacity and Cost inflation of major projects, with no change to the risk score for this reporting period.

**Trust and Confidence (higher appetite for risk)**



2.4. Two strategic risks are categorised as a Trust and Confidence risk. Both risks are new entries to the register and concern –

- Governance Arrangements for the family of companies;
- Emergency Response centre back up power (linked to Civic Square).

**Operational / Service Delivery (higher appetite for risk)**



2.5. Seven strategic risks are categorised as operational / service delivery risks.

**Risk Tolerance - Low**

- Commissioned Providers Workforce (ASC, Low)
- Funding for National Living Wage (ASC Low).

**Approved Risk Appetite**

- Adult Social Care Reforms (ASC, within approved risk appetite)

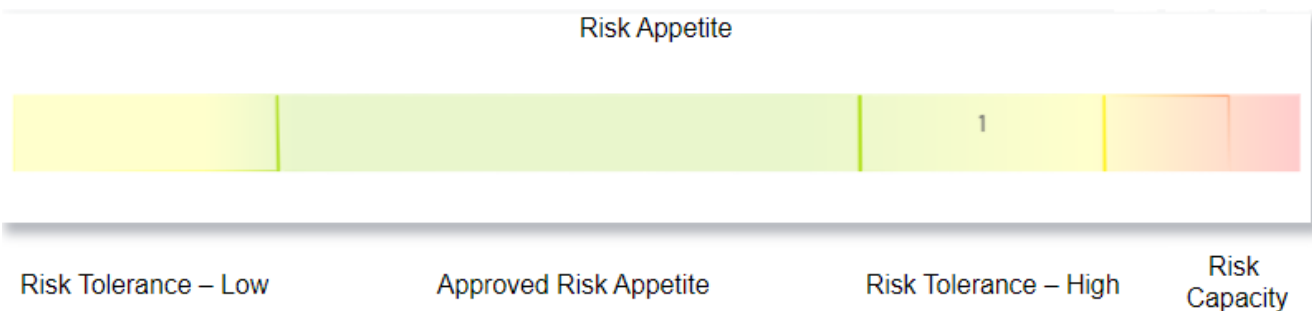
**Risk Tolerance - High**

- Homelessness (Community Connections, High)
- Pandemic or High Impact diseases outbreak (ODPH, High)
- Failure to reduce Health Inequalities – (ODPH, High)

**Risk tolerance – Very High**

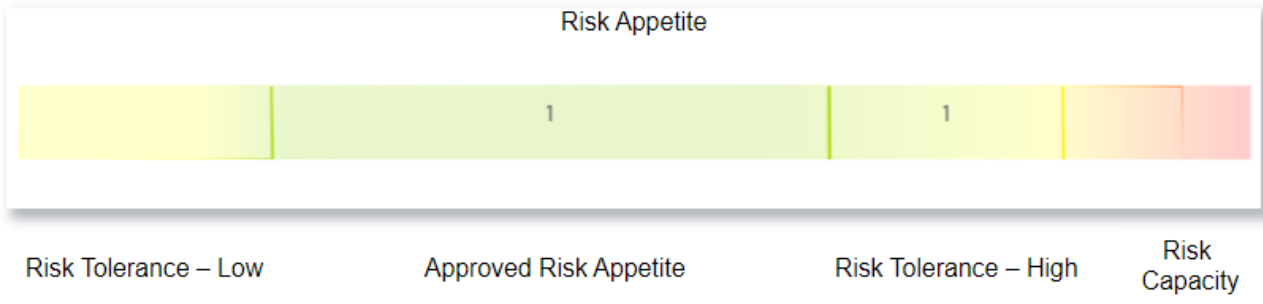
- Cyber-attack – (Digital and Customer, High)

**Strategic Change (higher appetite for risk)**



2.6. One strategic risk is categorised as strategic change, Carbon reduction Targets. Detailed mitigations are in place through the Net Zero action plan regularly reviewed by Council’s scrutiny function.

### Development and Regeneration (higher appetite for risk)



2.7. Two strategic risks have been identified within development and regeneration. Failure to respond to implications of planning reforms has had risk reduced from 15 to 12 but remains as a high level risk. Insufficient economic performance has maintained its risk score of 9 from Q1 and remains within the approved risk appetite.

Department	Title	Q1 Risk Score	Mitigation	Q2 Risk Score
DIGITAL AND CUSTOMER EXPERIENCE	Cyber-attack	20	Cyber Security Briefings now part of CMT quarterly reports. DELT Cyber Security plan now developed for CMT sign off. The council has undertaken significant action to mitigate against cyberattacks, however the threat remains constant as such the probability of attack remains high.	20
FINANCE	The Council's expenditure exceeds the resources available to meet that expenditure within the medium term financial plan period (2024/25-2027/28)	20	Close monitoring of 2023/24 spend with mitigations for any forecast pressures. Early engagement with SLT and Team Plymouth. Launch "Every £ Counts" in July 2024. MTFF will be published to July Cabinet, with clear plan set out to produce a balanced MTFP in November and Budget in February 2025. All monitoring reports will be presented to Scrutiny Management Board CIPFA Financial Sel Assessment undertaken June 2024 with action plan CIPFA undertaking a financial review July/August 2024	20
INTEGRATED COMMISSIONING	Increased and sustained pressure on Adult Social Care budget	16	Strengthen Scheme of Delegation and management actions focused on practice with our key Partner Livewell South West Increase focus on Practice and outcomes Continued work with health partners to increase numbers discharged from Hospital to the "Home first" pathway Design of appropriate workforce development plans providing care workforce sufficient and skills1-2 year mitigations Dom Care zoning approach included in procurement aimed to increase efficiency and reduce waste and intermediate care growth to include front door.	16

PUBLIC HEALTH	Failure to reduce Health Inequalities	16	Significant council actions are underway to address Health Inequalities. This has included the recent cost of living programme and ongoing work around reducing barriers to opportunity. The strength of external factors (Cost of Living Crisis etc) which are beyond the Council's control mean that this risk is unlikely to be further mitigated. The development of the Building Bridges to Opportunity Framework will help to draw further attention to the potential mitigations across the city, as will the relaunch of Thrive Plymouth in November. The confirmation of the Household Support Fund will enable some mitigation of these risks.	12
PUBLIC HEALTH	Pandemic or high impact disease outbreak	12	Incident response and recovery plans, and business continuity plans, which are flexible, up to date and have incorporated key learning from covid, and are tested regularly. There are national alerting systems for new potential threats and the plans to manage them.	12
PLANNING AND INFRASTRUCTURE	Carbon reduction targets	12	A 3-year City Council Net Zero Action Plan (NZAP) is rolled forward on an annual basis. This focuses on things in direct control of the City Council and the influencing actions of the Council in support the Net Zero agenda. The Natural Infrastructure and Growth Scrutiny Panel is engaged in the development and monitoring of the NZAP, and the NZAP is endorsed and supported annually by the City Council. Annual monitoring of PCC corporate emissions is undertaken to keep track of progress and to identify specific areas of focus for driving down emissions.	12

COMMUNITY CONNECTIONS	Homelessness	12	Homelessness Recovery Plan has been developed. Housing Task Force providing strategic leadership and is driving the recovery plan this includes representation from across the council to ensure that the organisational has the appropriate focus on this priority areas - This is led by the Relevant Cabinet Member and the Chief Executive. The Homelessness Recovery Board is managing / delivering operational elements of the recovery plan, and reports onto the Taskforce.	12
PLANNING AND INFRASTRUCTURE	Failure to respond to implications of planning reforms impacting on Plymouth growth agenda and local plan	15	Monitoring of government planning reforms directly and through forums such as Planning Advisory Service, ADEPT and LGA. Reviewing options with Cabinet Member for Strategic Planning & Infrastructure and on-going discussions with Leader and Cabinet Planning. Reviewing evidence base requirements including studies and surveys needed to advance the plan once the government's reform plans become clear. Danger of not making a decision in a timely manner.	12
CHILDREN, YOUNG PEOPLE AND FAMILIES	Failure to meet statutory duties	9	Regular review of demand and capacity. Additional Social Workers recruited to support Children and Families. Focus on reduction of overall demand through Early Intervention and Prevention. Risk regularly considered as part of Corporate Management Team discussions. Referrals increase in months 10 and 11 of Q4 but reduced significantly in month12.	9

ECONOMIC DEVELOPMENT	Insufficient economic performance	9	Seeking to maximise all opportunities to secure inward investment, additional funding for economic initiatives including focussing on creating new jobs in the Blue and green economy. Account manage new inward investment landings in high growth sectors. The initiatives include: The Plymouth and South Devon Freeport, National Marine Park, large scale defence investment, £4bn development pipeline and over £100m of grant funding. We will continue to maximise all inward investment and good growth through account management and seeking funding opportunities for our city region. We also have a strong economic monitoring function and well developed strategic economic partnership to monitor and oversee our interventions and impact.	9
HUMAN RESOURCES AND ORGANISATIONAL DESIGN	Insufficient workforce	9	Targeted support for Children Services – resourcing and capacity / Introduction of new assistant social worker positions Review of People Strategy for 2024 Presented proposals to SLT in relation to Recruitment and retention strategy. These will now be developed and implemented as appropriate. Improving induction processes. Recruitment sprint project completed, moving to 2nd phase Recruitment Manager Appointed Collaborative work with ADEPT on national campaign for Place recruitment Extension of apprenticeships	9
DIGITAL AND CUSTOMER EXPERIENCE	Keeping data secure	9	Continued roll out staff awareness training to all staff. Implement greater reporting consistency within directorates. Implement improved incident analysis within the Service Desk. Improved contract management with partners. Improve Privacy notice templates and ensure all gaps are addressed Standardised breach management processes distributed to key staff. Reviewed policies to be communicated to all staff	9
ECONOMIC DEVELOPMENT	Major projects - capacity and cost inflation	9	We have secured additional project management capacity for the NMP, Freeport and Civic Centre. These costs are added to overall project costs .We have also increased contingency where possible to allow for the current contractor market instability. We have liased with funding bodies such as DLUC and Homes England to ensure that the programme and inflationary risks are shared.	9



CIVIL PROTECTION	Emergency Response Centre (ERC) back-up power	0	At present it is understood that the Council has limited capability to provide generated power. The Council House does have a generator which is believed to have UPS to the traffic signals system and CCTV comms unit only. This is insufficient to provide any level of mitigation for the wider organisation.	8
INTEGRATED COMMISSIONING	Adult Social Care (ASC) Reforms	6	Continued uncertainty over much needed reform increases risks of sustainability over time. We will continue to advocate for the need for reform along with the key issues and solutions we feel reform will need to address/can offer through regional ADASS and LGA bodies and the Offers and Asks of our directorate.	6

<p>LEGAL SERVICES &amp; MONITORING OFFICER</p>	<p>Governance Arrangements for the Family of Companies</p>	<p>0</p>	<p>A New Family of Companies Governance Framework will be established to define clear roles, responsibilities, and accountability mechanisms for effective oversight. Pending committee approval, this will involve a Shareholder Committee (a sub-committee of Cabinet) to provide guidance and oversight to the family of companies, with provisions for involving scrutineers. Financial colleagues are implementing strong financial controls, preparing for regular audits and financial reviews. The framework aims to improve transparency and ensure consistent reporting through the Shareholder Committee. Conflict of interest policies have been created, along with an Officer interest register. Training for current and prospective shareholder representatives and Council-appointed directors is currently in development, with an anticipated launch in the Autumn 2024. Although there are 21 companies, they range in complexity and therefore financial and governance arrangements. These differing requirements will form part of the governance review. The PCC commercial finance team work with both internal and external auditors to ensure good financial arrangements are in place</p>	<p>6</p>
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INTEGRATED COMMISSIONING	Adult Social Care - funding for National Living Wage increase	1	Update October 2024: Regular provider forums continue and communications. Contract managers remain available for any providers experiencing financial issues to be able to have a more in depth discussion. Benchmarking with other local authorities continues as part of regional groups. More uncertainty at the current time pending the October budget and announcements for NLW increases. Finance modelling a range of possible increases and impact.	4
INTEGRATED COMMISSIONING	Commissioned providers - workforce recruitment and retention	2	Update October 2024: Regular provider events, tracking of demand and capacity in the provider market, protocols such as Shackleton to draw on mutual support in the event of a provider failure. Waiting lists for home care remain stable and relatively low. Broader provider stability is tracked through fortnightly "Provider of Concern" briefings to the Service Director to support intervention where needed. Quarterly meetings remain in place with CQC to share market intelligence. The Caring Plymouth partnership and annual celebration event are helping to improve the perception of careers in care as worthwhile and sustainable. If a provider faces challenges we provide wrap around support for the staff to ensure they are aware of other employment options in the sector.	1