

PLYMOUTH CITY COUNCIL

Subject: Strategic Risk and Opportunity Register – Monitoring Report

Committee: Audit Committee

Date: 14 September 2017

Cabinet Member: Councillor Darcy

CMT Member: Andrew Hardingham (Interim Joint Strategic Director Transformation and Change)

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Ref: CRM/MJH

Key Decision: No

Part: I

Purpose of the report:

This report provides a summary of the latest formal monitoring exercise completed for the Strategic Risk and Opportunity Register for the period March 2017 to August 2017.

Appendix A to the report provides the revised risk and opportunity register showing the current status of each risk and the movement in risk score compared with the previous monitoring period.

Overall, as a result of the review, the total number of risks now reported on the strategic risk and opportunity register remains at 15 with the deletion of two and the addition of two new risks.

The Corporate Plan 2016 - 19:

The Strategic Risk and Opportunity Register includes links to the Corporate Plan objectives – monitoring of control action for strategic risks therefore contributes to the delivery of the Council's core objectives.

Implications for Medium Term Financial Plan and Resource Implications: Including finance, human, IT and land

None arising specifically from this report but control measures identified in risk and opportunity registers could have financial or resource implications.

Other Implications: e.g. Child Poverty, Community Safety, Health and Safety and Risk Management:

None arising specifically from this report but community safety, health and safety issues and risks are taken into account in the preparation of risk and opportunity registers.

Equality and Diversity

Has an Equality Impact Assessment been undertaken? Not required.

Recommendations and Reasons for recommended action:

The Audit Committee is recommended to:
 Note and endorse the current position with regard to the Strategic Risk and Opportunity Register.

Alternative options considered and rejected:

Effective risk management processes are an essential element of internal control and as such are an important element of good corporate governance. For this reason alternative options are not applicable.

Published work / information:

Plymouth City Council Risk and Opportunity Management [Strategy](#).

Background papers:

None.

Title	Part I	Part II	Exemption Paragraph Number							
			1	2	3	4	5	6	7	

Sign off:

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Originating SMT Member: Andrew Hardingham, Interim Joint Strategic Director Transformation and Change													
Has the Cabinet Member(s) agreed the contents of the report? Yes													

1.0 Introduction

- 1.1** The position with regard to the Strategic Risk and Opportunity Risk Register was last reported to this Committee on [16 March 2017](#) and this report now provides a summary of the latest monitoring exercise covering the position as at 31 August 2017.

2.0 Strategic Risk and Opportunity Register – Monitoring Summary

- 2.1** In accordance with the strategy requirement for twice-yearly monitoring, the latest review and monitoring exercise was completed in July 2017 with the results discussed and agreed by CMT on 15 August 2017.
- 2.2** Attached to this report at Appendix A is the revised strategic risk and opportunity register showing the current status of each risk and any movement in risk score compared with previous monitoring periods together with explanatory commentary on the key issues for each risk.

3.0 Headline Issues

3.1 Risk Score Unchanged

Red Risk 95 – Medium Term Financial Strategy (MTFS) 2017-2020 (Row No. 1)

Quarter one update has been completed and presented to CMT. A full review was undertaken in July with a draft MTFS presented to CMT in August and Scrutiny in September 2017.

Amber Risk 21 - Being unable to deliver Council services within the envelope of the resources provided in 2016/17 – (Row No. 2)

Quarter one budget monitoring has identified a challenging in year position. CMT are reviewing in detail all budgets with action plans required to address in year pressures.

Amber Risk 117 – Failing to adhere to the General Data Protection Regulation (GDPR) – (Row No. 6)

The GDPR will replace the Data Protection Act from May 2018 and places more conditions on data controllers for obtaining consent and allows people more rights on the processing of their data. The Information Governance Manager has been raising awareness at CMT and department management teams and staff workshops are underway. Funding has also been secured for a compliance assessment of our ICT systems.

3.2 New Risks

Amber Risk 118 – Potential failure to deliver effective electoral services functions due to inadequate resourcing and processes and lack of appropriately qualified staff. Consequences could include a negative impact upon maximising registration and a risk of disenfranchising voters – (Row No. 7)

Following the electoral administration problems in the lead-up to the General Election on 8 June the public were asked to tell an independent enquiry about their experiences. The Call for Evidence closed at 5pm on Friday 30 June 2017. All feedback submitted through the call is being considered by the independent investigator for the Elections Review. The investigator's report will be considered by a meeting of the Full Council in September. The Elections Programme is working on elections recovery and development overseen by the Elections Programme Board.

Green Risk 119 – Cladding issues on buildings in Plymouth above 18m that have the potential to contain, or have been identified as containing ACM cladding that has a risk of combustion – (Row 12)

The responsibility for building safety lies with the individual building owners but the Council and Devon and Somerset Fire and Rescue Service have taken the lead on communicating relevant information and monitoring remedial measures to all affected properties.

3.3 Deleted Risks

Amber Risk 107 – Failure to deliver the HMI7 Programme of change – (Row No. 14)

Plymouth's road maintenance services were successfully transferred to South West Highways (SWH) in April 2017.

Green Risk 108 – Failure to secure funding for the Plymouth History Centre – (Row No. 15)

Funding for the History Centre has been secured from a range of significant partners including Plymouth City Council, the Heritage Lottery Fund, Arts Council England, the Coastal Communities Fund, the Garfield Weston Foundation, the University of Plymouth and the Wolfson Foundation. The project is on schedule to open in spring 2020 as part of the city's Mayflower 400 commemorations.

3.4 Risk Score Decreased

Amber Risk 46 – The Council not meeting its obligations to keep citizen data secure – Decreased from 16 to 12 (Row No. 9)

Staff awareness training has been rolled out and there is now greater reporting consistency within directorates and improved contract management with partners. Quarter one has seen a decrease in the number of breaches compared to previous years.

4.0 Integrated Assurance

4.1 The creation of the Integrated Assurance Service has resulted in risk management being formally aligned and working alongside other compliance functions and other corporate governance processes to promote a joined-up approach to all aspects of governance.

4.2 The "The Three Lines of Defence" model was presented to this Committee on [16 March 2017](#). We are working towards putting this model into practice to help demonstrate and structure roles and responsibilities, accountabilities for decision

making, risk and control and achieve greater effectiveness around governance and assurance.

- 4.3** Joint working is underway with Sian Millard, Oversight and Governance Manager and Performance Advisors in the Chief Executive Office to enhance performance reporting with the inclusion of risk so that links between indicators and activities relating to the corporate risk registers are more explicitly identified. This work will be completed during the next quarter with results being brought to this Committee in December 2017.

5.0 Summary and Conclusion

- 5.1** The Council's success in dealing with the risks that it faces can have a major impact on the achievement of key promises, objectives and ultimately therefore, the level of service to the community.
- 5.2** The movement in risk scores and the consequent changes to the Council's overall strategic risk profile outlined in this latest review provides good evidence of the dynamic nature of the Strategic Risk and Opportunity Register and the maturity of the Council's approach to the identification and management of strategic risk.
- 5.3** The inclusion of risk management considerations is a key feature in the Council's key corporate processes featuring in the Corporate Plan preparation, Change Plans, Budget Planning and Monitoring and Performance Management.
- 5.4** This embedded approach acts as an effective early warning system for the recording, monitoring and management of risks that threaten the delivery of the Council's strategic objectives and plans.
- 5.5** The next formal review of the Strategic Risk and Opportunity Register will take place in February 2018.