

Date of meeting:	23 September 2019
Title of Report:	Strategic Risk and Opportunity Register
Lead Member:	Councillor Mark Lowry (Cabinet Member for Finance)
Lead Strategic Director:	Giles Perritt (Assistant Chief Executive)
Author:	Julie Hosking
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Your Reference:	SM/JH
Key Decision:	No
Confidentiality:	Part I - Official

Purpose of Report

This report provides a summary of the latest formal monitoring exercise completed for the Strategic Risk and Opportunity Register for the period March 2019 to August 2019.

Appendix A to the report provides the revised Strategic 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 Register has decreased from 16 to 15.

Recommendations and Reasons

The Audit and Governance Committee is recommended to:

Approve the current position with regard to the Strategic Risk and Opportunity Register. Reason: As part of the Committee's responsibility for monitoring the implementation and ongoing processes for identifying and managing key risks of the authority.

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.

Relevance to the Corporate Plan and/or the Plymouth Plan

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

Implications for the Medium Term Financial Plan and Resource Implications:

None arising specifically from this report but control measures identified in Directorate Operational Risk and Opportunity Registers could have financial or resource implications.

Carbon Footprint (Environmental) Implications:

None arising specifically from this report.

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

* When considering these proposals members have a responsibility to ensure they give due regard to the Council's duty to promote equality of opportunity, eliminate unlawful discrimination and promote good relations between people who share protected characteristics under the Equalities Act and those who do not.

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.

Appendices

*Add rows as required to box below

Ref.	Title of Appendix	Exemption Paragraph Number (if applicable) <i>If some/all of the information is confidential, you must indicate why it is not for publication by virtue of Part 1 of Schedule 12A of the Local Government Act 1972 by ticking the relevant box.</i>						
		1	2	3	4	5	6	7
A	Plymouth City Council's Strategic Risk and Opportunity Register							

Background papers:

*Add rows as required to box below

Please list all unpublished, background papers relevant to the decision in the table below. Background papers are unpublished works, relied on to a material extent in preparing the report, which disclose facts or matters on which the report or an important part of the work is based.

Title of any background paper(s)	Exemption Paragraph Number (if applicable) <i>If some/all of the information is confidential, you must indicate why it is not for publication by virtue of Part 1 of Schedule 12A of the Local Government Act 1972 by ticking the relevant box.</i>						
	1	2	3	4	5	6	7

Sign off:

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Originating Senior Leadership Team member: Giles Perritt (Assistant Chief Executive)											

Please confirm the Strategic Director(s) has agreed the report? Yes

Date agreed: 14/08/2019

Cabinet Member approval: *Councillor Mark Lowry - Approved verbally*

Date approved: 03/09/2019

1.0 Introduction

- 1.1 The position with regard to the Strategic Risk and Opportunity Risk Register was last reported to this Committee on [11 March 2019](#). This report provides a summary of the latest monitoring exercise covering the position as at 31 August 2019.

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 and August 2019 with the results discussed, and further actions agreed, by Corporate Management Team on 20 August 2019.
- 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 Red Risks

Red Risk SF2 – Delivering Council services within the envelope of the resources provided in 2019/20-2021/22 Medium Term Financial Plan (MTFP). Risk to services of not delivering within reduced budgets and to delivery of the Plymouth Plan from reduced revenue and funding of the Capital Programme - (Row No. 1)

The Council has launched a “Fresh Look” programme to review all departments examining current budget and actual spend, contracts, income opportunities and any synergies and efficiencies across the whole council.

Red Risk SF3 - Being unable to deliver Council services within the envelope of the resources provided in 2019/20 – (Row No. 2)

Implementation of outcomes from the “Fresh Look” programme will improve efficiency and reduce costs whilst still delivering benefits to the customer.

Red Risk SEPSI – Reduction in the quality of education provision negatively affecting level of pupil attainment – (Row No. 3)

The Plymouth Challenge (a collaboration of several educational specialists who are working together to improve educational outcomes across Plymouth), has identified three strands designed to raise achievement. The School Support, Challenge and Intervention Policy went to Cabinet in March 2019. The Policy makes clear the Council’s relationship with schools.

Red Risk SCYPF2 – Projected in-year overspend in Children’s Social Care caused by unprecedented demand and level of support needed to keep young people safe, such as specialist residential care placements with high levels of staffing – (Row No. 4)

There has been a significant increase in young people’s placement cost. The cost of care is particularly high due to the level of support needed to keep young people safe, such as specialist residential care placements with high levels of staffing and the need to place young people with complex needs in wrap around as no suitable placement is available. Our position reflects a national problem and similar rises in demand and costs are being experienced by many other authorities around the county. Additional management solutions and escalated action to deliver further savings from the council’s transformation programme will be brought to the table over the coming months together with ongoing rigour in decision making to manage demand.

3.2 Risk Score Reduced

Green Risk SSP11 – Cladding issues on buildings in Plymouth above 18m that have the potential to contain, or have been identified as containing aluminium composite material (ACM) cladding that has a risk of combustion – (Row No. 15)

The current risk is low however the risk score is likely to increase if Government broaden the scope of risk buildings. We are awaiting the outcome of the implementation plan consultation which is due autumn 2019.

3.3 Deleted Strategic Risk

Green Risk SF6 – Maintaining awareness of anti-fraud measures to help prevent or identify instances of fraud, corruption and bribery and help protect public funds – (Row No. 16)

The Counter Fraud Services Manager is a member of the Operational Risk Management Group to maintain counter fraud link to corporate risk processes and raise awareness of anti-fraud measures. The risk will continue to be monitored via Finance’s Operational Risk Register.

4.0 Summary and Conclusion

- 4.1** The Council’s success in dealing with the risks that it faces can have a major impact on achievement of key priorities, objectives and ultimately therefore, the level of service to the community.
- 4.2** Risk management is formally aligned and working alongside other compliance functions which helps to promote a joined-up approach to all aspects of governance.
- 4.3** This aligned 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.
- 4.4** The next formal review of the Strategic Risk and Opportunity Register will take place in January 2020.