Corporate Management Team - Agree	**1ˢᵗ July 2020**
Executive (SRR only)	**23ʳᵈ July 2020**
Audit and Risk Committee	**23ʳᵈ September 2020**

Strategic and Operational Risk Registers/Health & Safety Data

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Report of the Director of Delivery, Communications and Political Governance

1. Purpose of the Report

To present to the Audit and Risk Committee (A&RC) an update on the Strategic and Operational Risk Registers and Health & Safety data:

- **Appendix 1**, the **Strategic Risk Register (SRR)** providing a summary of the strategic risks facing the council affecting the achievement of the strategic objectives of the council;

- **Appendix 2**, supports appendix 1, which provides the detail in relation to the **council's strategic risks**;

- **Appendix 3**, the **Operational Risk Register (ORR)** exposure summary, provides a high-level summary of the operational risks, which affect the day to day operations of divisions. Such risks are assessed by Divisional Directors with a risk score of 15 or above for consideration;

- **Appendix 4,** the **ORR**, supports Appendix 3 (the summary of the ORR) which provides the detail in relation to the council's operational risks;

- **Appendix 5** – **Health and Safety Data** - Number of incidents by incident type.

2. Recommendations

A&RC is asked to:

- Note the Strategic Risk Register (as at 27ᵗʰ August 2020) and Operational Risk Register (as at 31ˢᵗ May 2020)

- Note the Health and Safety Data;

- Make any comments to the Director of Delivery, Communications and Political Governance.

3. Background

3.1 The Council's 2020 Risk Management Strategy requires the development, maintenance and monitoring of both the SRR and ORR.

3.2 Both the SRR and ORR process is owned and led by the Head of Paid Service. The Corporate Management Team collectively support the strategic risk register process documenting the key strategic risks facing the council and help to ensure these are managed and the SRR is then submitted to the Executive for their consideration. It complements the operational risk register process which is supported and managed by the Divisional Directors in conjunction with their divisional management teams. Both registers are populated and maintained by the Manager, Risk Management for this group.

4. Report

4.1 The SRR has been compiled following a review by all Strategic Directors and has been updated. The summary of the strategic risks is attached as **Appendix 1** and **Appendix 2** provides comprehensive detail of the risks.

19 risks were updated in relation to target dates, but **risk controls and scores** were also amended to **all risks except for risks 3 and 18.**

		1	2	3	4	5
Almost Certain	5				3,19	
Probable / Likely	4			5,12, 17, 18	6	1
Possible	3			2,11, 14,16	8,9,10, 13,15	7
Unlikely	2				4	
Very unlikely / Rare	1					

1	2	3	4	5
Insignificant/ Negligible	Minor	Moderate	Major	Critical / Catastrophic

The above matrix provides an indicator of the status of the council's strategic risks in terms of likelihood and impact using the risk scoring from the SRR Register. Those risks in the **red quadrant require robust challenge, regular review and monitoring** and consideration for further controls where

appropriate. Those in **yellow also require regular review and monitoring** to ensure they do not escalate to a red risk, and there are a number of these with a major impact.

4.2   The risks in the ORR **(Appendix 4)** are presented by:

- Strategic Area (in alphabetical order);
- Then by Divisional Area (again within alphabetical order);
- Then by 'risk score' with the highest first.

4.3   The summary of operational risks attached as **Appendix 3** indicates the number of high risks for each department/strategic area.   **Appendix 4** provides comprehensive detail of the risks in **Appendix 3**.   Both appendices have been compiled using divisional risk registers submitted to REBR by each Divisional Director.   The significant risks (scoring 15 and above) identified within these individual registers have been transferred to the Council's ORR.

4.4   With regards to the ORR, **19** existing risks have been amended, **2** deleted and **5** new risks were added to the ORR this quarter.

Many amendments relate to target dates reflecting the next quarter review deadline date of 30th September 2020. However, **risks 1, 4, 10, 11, 15, 18, 21, 23** have further amendments other than target dates. The **2** risks that were deleted are:

8. Tourism, Culture & Investment – De Montfort Hall – Loss of Operational ability – Stage Lift

15. Children's Social Care and Early Help – GDPR

The 5 new risks added are:

Risk 6 – Planning, Development and Transport – Highways and Transport Services – Covid-19 impacts

Risk 9 – Tourism, Culture and Investment – Budget

Risk 13 – Finance – Introduction of Universal Credit – Full Service

Risk 17 – Adult Social Care and Commissioning – Implications of Covid-19

Risk 19 – Commissioning and Performance – Financial Deficits reported by LA maintained schools.

As a reminder, where a risk is **'deleted'** it does not always elude to the risk being eliminated.   It refers to the risk score no longer being 'high' and it may well remain within the individual divisional register with a score below 15.

The reduction on the number of risks from the previous quarters allows time and effort to be focussed on the risks which require the management of the Divisional Management Team. This can only be successful if the management of the Head of Service Risk Registers remains in place and is regularly reviewed

by them in line with reporting structures, (as stated in the Risk Management Policy and Strategy and see below diagram), and some operational risks may require escalating in the future. Risk management in this way is regarded as best practice.
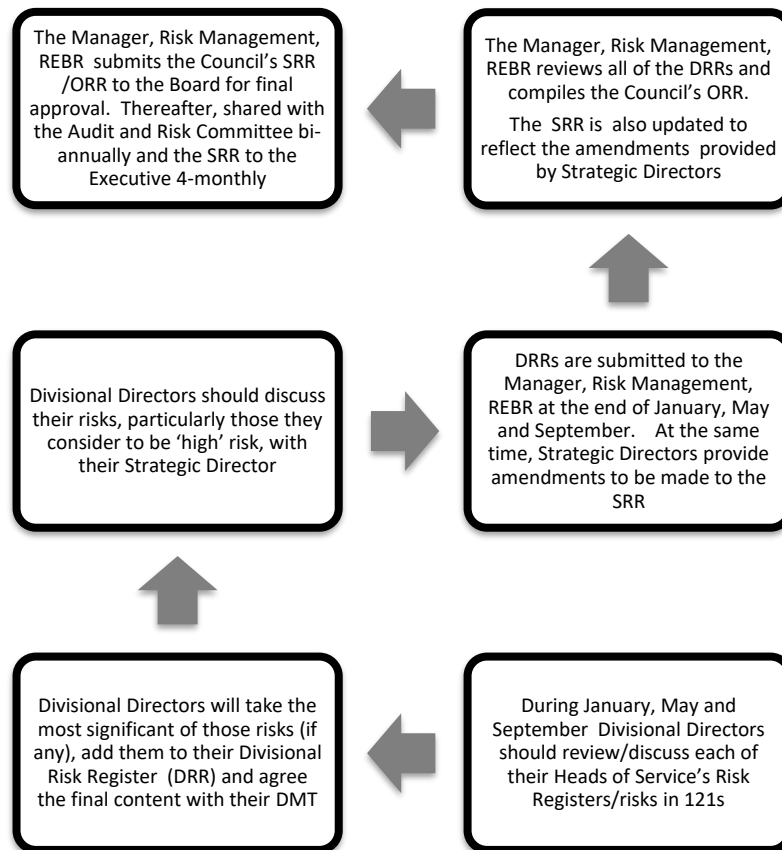

The summary table below provides an overview of the number of high risks ranging from risk rating of **15 to 25** detailed in the **ORR**:

Risk Score	No of risks as at 31.05.2020
25	0
20	4
16	14
15	6

4.5 Both risk registers present the most significant managed/mitigated risks. Whilst there are other key risks, it is the view of Directors that these are sufficiently managed/mitigated for them not to appear in these registers. More detailed registers of operational risks are owned and maintained by individual Divisional Directors and their Heads of Service (and where appropriate their managerial and supervisory staff) as detailed in the Risk Management Strategy and Policy.

4.6 Audit and Risk Committee are reminded that the Council's Risk Management Strategy refers to the process of embedding risk management within business areas. The risk registers allow this to be evidenced, but if this process is to be demonstrated as a method by which the Council manages its risk profile, it has to be more than the regular submission of a register to REBR. The number of updates/changes to the risk registers is a positive indication of this, but the process of risk management must become a daily activity throughout the authority to be truly embedded indicating the Council is managing its risk exposure.

4.7 Risk registers need to be working documents that can be sent to REBR for advice or discussed with line management and/or members at any time.

4.8 For clarity, the process for reviewing and reporting operational risks, in line with the Council's Strategy, is as per the following flowchart:

The Manager, Risk Management, REBR submits the Council's SRR /ORR to the Board for final approval. Thereafter, shared with the Audit and Risk Committee bi-annually and the SRR to the Executive 4-monthly

The Manager, Risk Management, REBR reviews all of the DRRs and compiles the Council's ORR.
The SRR is also updated to reflect the amendments provided by Strategic Directors

Divisional Directors should discuss their risks, particularly those they consider to be 'high' risk, with their Strategic Director

DRRs are submitted to the Manager, Risk Management, REBR at the end of January, May and September. At the same time, Strategic Directors provide amendments to be made to the SRR

Divisional Directors will take the most significant of those risks (if any), add them to their Divisional Risk Register (DRR) and agree the final content with their DMT

During January, May and September Divisional Directors should review/discuss each of their Heads of Service's Risk Registers/risks in 121s

4.9 Appendix 5 has the latest Health and Safety data which indicates there has been a 13% decrease in overall incidents since the last quarter. When compared to the same quarter in 2018-19 there has been an 29% decrease overall.

4.10 At the time of writing this report, the Brexit Impact/Risk Assessment is being revised and will be revisited periodically as and when changes take place in the internal and external environment. Significant corporate attention continues to be given to the significant and wide-ranging impacts of the **Coronavirus pandemic**. A specific risk reflecting this is included within the working copy of the SRR and where appropriate also reflected in relation to other strategic risks. Covid-19 has also been identified within divisional risk registers and in the context of a number of other ongoing operational risks. However, most divisions have not scored it a high risk, due to the effectiveness of the controls that are being implemented and the ongoing review of actions, and as a result the scoring falls below the threshold for the ORR. The divisions that have scored it at a high are **Planning, Development and Transport, Tourism, Culture & Investment, Finance and Adult Social Care and Commissioning** (Risk Nos. 6, 9, 13, and 17 respectively – it should be noted that this is at 31st May but that in the ongoing risk process this may have changed and particularly in light of the recent Leicester local lockdown).

However, when the pandemic first broke out, this would have most likely been a high impact risk as the controls would have yet to be implemented in order to manage its impacts. When more information comes out publicly, in terms of risk and its management, regarding this pandemic anything of relevance will be communicated via appropriate channels.

5. **Financial, Legal Implications**

5.1 **Financial Implications**

'There are no direct financial implications arising from this report'
Colin Sharpe, Deputy Director of Finance, Ext. 37 4081

5.2 **Legal Implications**

'There are no direct legal implications arising from this report'
Kamal Adatia, City Barrister – 37 1401

5.3 **Equalities Implications**

'Under the Equality Act 2010, public authorities have statutory duties, including the Public Sector Equality Duty (PSED) which means that, in carrying out their functions they have to pay due regard to the need to eliminate unlawful discrimination, harassment and victimisation, to advance equality of opportunity between people who share a protected characteristic and those who don't and to foster good relations between people who share a protected characteristic and those who don't.

Protected Characteristics under the Equality Act 2010 are age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex, sexual orientation.

The Council also has an obligation to treat people in accordance with their Convention rights under The Human Rights Act, 1998.

The ability of the Council to meets its duties under the Equality Act 2010 is specifically accounted for in the strategic risk register. However, equalities and human rights considerations cut across all elements of risk management, including strategic and operational risk management.

Effective risk management plays a vital role in ensuring that the Council can continue to meet the needs of people from across all protected characteristics and, in some circumstances, will be particularly relevant to those with a particular protected characteristic. For example, some risks included in the operational risk register (Appendix 3) relate to people with specific protected characteristics such as disability (children with special educational needs, people with mental ill health).

Some of the risks identified in the strategic risk register (Appendix 1) would have a disproportionate impact on protected groups should the Council no

longer be able to effectively manage them and, therefore, the mitigating actions identified in the strategic risk register support equalities outcomes. For example, should the Council fail to safeguard effectively, this would have a disproportionate impact on the human right (prohibition of torture, inhuman or degrading treatment) of those from protected groups, such as age and disability. Likewise, a failure to engage stakeholders could lead to a failure to identify tensions arising in the city (particularly as the financial challenges impact on communities) leading to unrest in specific communities/areas of the city. This, in turn, would have an impact on the Council's ability to meet the general aim of the PSED to foster good relations between people who share a protected characteristic and those who don't.

Therefore, the on-going work to update and consider risk management implications in making decisions and assess of the effectiveness of the controls/ mitigation actions for the risks identified in the report and appendices, will support a robust approach to reducing the likelihood of disproportionate equality and human rights related risks, provided the mitigations/ controls themselves are compliant with the relevant legislation.'
Hannah Watkins, Equalities Manager - 37 5811

5.4 **Climate Change Implications**

The risks associated with climate change such as increased flooding, heatwaves and droughts, and the council's management of these risks, are highlighted within the Civil Contingency/Incident Response risk. This area has been updated to reflect the Leicester City Council's declaration of a Climate Emergency in 2019, and its identification as one of the council's top three priorities to tackle. Further detail on the risks and impacts of climate change for the UK can be found in the official 2018 Met Office UK Climate Projections (UKCP18).
Aidan Davis, Sustainability Office – 37 2284

6. Other Implications

OTHER IMPLICATIONS	YES/NO	Paragraph Within Information	References Supporting
Policy	No		
Sustainable and Environmental	No		
Climate Change	No		
Crime and Disorder	No		
Human Rights Act	No		
Elderly/People on Low Income	No		
Risk Management	Yes	All of the paper.	

7. Report Authors

Sonal Devani – Manager, Risk Management, REBR – 37 1635
20th August 2020