
Strategic and Operational Risk Registers / Health & Safety Data

Audit and Risk Committee

Date of meeting: 17th March 2021

Lead director: Miranda Cannon

Useful information

- Ward(s) affected: All Wards
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- Report version number: Version 1

1. Summary

The purpose of this report is to provide 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. Recommended actions/decision

A&RC is asked to:

- Note the Strategic Risk Register and Operational Risk Register (as at 31st January 2021)
- 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 2021 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. Detailed 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** were also amended to **all risks except for risks 2, 11, 16, and 17**.

Almost Certain	5				3,18	
Probable / Likely	4			5,12, 16,17	6,19	1
Possible	3			2,11, 14	8,9, 10,13,	7
Unlikely	2			15	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, **21** existing risks have been amended, **1** deleted and **4** new risks were added to the ORR this quarter.

Many amendments relate to target dates reflecting the next quarter review deadline date of 31st May 2021. However, **risks 1, 2, 3, 4, 5, 10, 11, 14, 15, 18, 22, 23, 24 and 25** have further amendments other than target dates. **1** risk was deleted (Risk No. **22**) and **4** new risks were added (Risk No. **12, 16, 17 and 21**)

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.

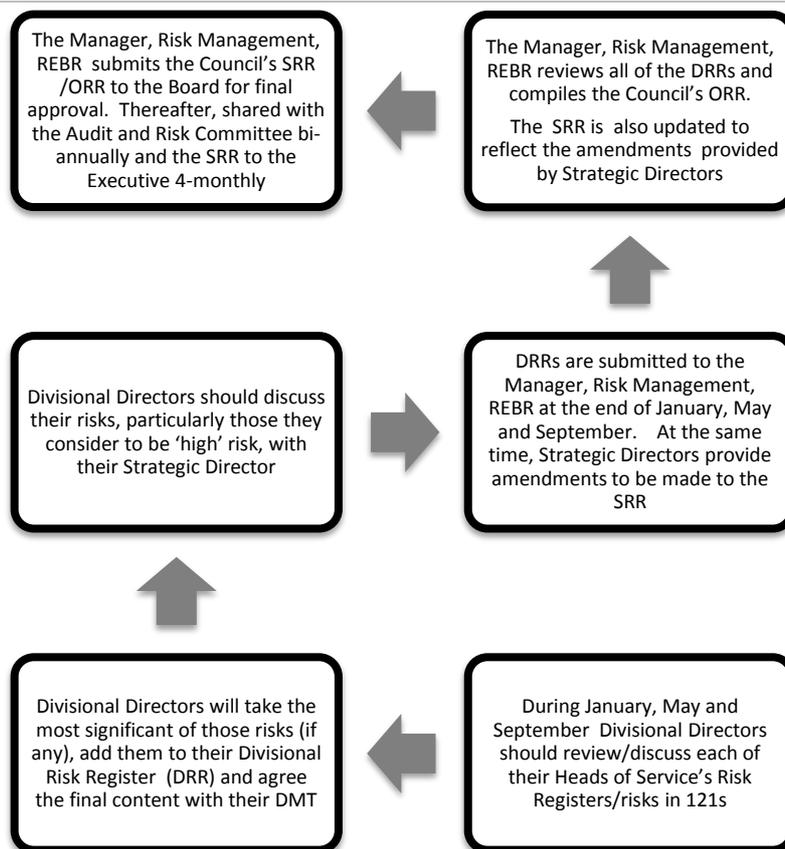
The reduction on the number of risks from the previous quarters allows time and effort to be focussed on the risks which require the management of the Divisional Management Team. This can only be successful if the management of the Head of Service Risk Registers remains in place and is regularly reviewed 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 31.01.2021
25	0
20	5
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:



- 4.9 There has been a 56% decrease in incident reporting when compared to the same quarter in 2019-20. This is thought to be due to COVID19 restrictions and service closures. Incident reporting in the latest period Q2 has increased slightly now as thought to be in line with more and more services being re-introduced. The proportion of reported near misses to actual loss events still being clearly in the favour of near misses which is very reassuring.
- 4.10 Significant corporate attention continues to be given to the significant and wide-ranging impacts of the **Coronavirus pandemic**. Covid-19 has 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 **Housing, Planning, Development and Transport, Tourism, Culture & Investment, Finance, Adult Social Care Safeguarding and Commissioning, Commissioning and Performance and Public Health** (Risk No. 1, 6, 7, 8, 11, 15, 18, and 25 respectively). 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.
- 4.11 During the next quarter Directors will each be conducting a very detailed review of the operational level risks as reflected in divisional and head of service risk registers. This review will need to consider risks arising from the ongoing response to Covid-19 but also as we look ahead to the easing of restrictions and the longer-term recovery period. In practice the continued focus on the pandemic and

significant resource this continues to demand, means it will be important to consider if this may increase the likelihood of other risks and may also impact on proposed mitigating actions. Similarly the easing of restrictions and the move into recovery may increase some risk scores and also lead to new risks emerging, for example a very important and operational level impact is the risks around staff fatigue and wellbeing following many months of significant demand and different ways of working, along with significant levels of annual leave which need we would want staff to be able to take but balanced against ongoing service demands and delivery. It is therefore anticipated that there may be a number of changes in scoring and risks as this work is undertaken over the next period'

5. Financial, legal, equalities, climate emergency and other 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 meet 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.'

Surinder Singh, Equalities Officer - 37 4148

5.4 Climate Emergency implications

'The risks associated with climate change such as increased flooding, heatwaves and droughts, their consequences and the council's management of these risks are the subject of risk 10, Climate Change, within the SRR. This allows for monitoring of the risks and consequences and the actions that are in place to control them, as well as further actions required. Following Leicester City Council's declaration of a Climate Emergency in 2019, climate change has been identified 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 Met Office UK Climate Projections (UKCP).'

Aidan Davis, Sustainability Officer – 37 2284

6. Summary of appendices:

Appendix 1 – Summary of Strategic Risk Register as at 31st January 2021

Appendix 2 – Strategic Risks in detail as a 31st January 2021

Appendix 3 – Summary of Operational Risk Register as at 31st January 2021

Appendix 4 – Operational Risks in details as at 31st January 2021

Appendix 5 – Health and Safety Data

7. Is this a private report (If so, please indicate the reasons and state why it is not in the public interest to be dealt with publicly)?

No

8. Is this a “key decision”? If so, why?

No