
Strategic and Operational Risk Registers / Health & Safety Data

Audit and Risk Committee

Date of meeting: 24th November 2021

Lead director: Miranda Cannon

Useful information

- Ward(s) affected: All Wards
- Report author: Sonal Devani
- Author contact details: (0116) 454 1635 / 37 1635; sonal.devani@leicester.gov.uk
- 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)** provides 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 30th September 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.

2 new risks added which are:

- **Safeguarding - Skills Shortage (risk no 8 – high risk at 20)**
- **Asylum / Refugees (risk no 21 – medium risk at 9)**

17 risks were updated in relation to target dates, but **risk controls** were also amended to **all risks except for risks 5, 9, 13 and 14**. The risk scores for **risk 9 and 16** (School Improvement and Provision of Secondary School Places) have reduced to **9 from 12**. The score on **risk 12** Resource: Capacity, Capability, Retention & Development was increased **from 9 to 12** to reflect current challenges around recruitment and retention in a buoyant recruitment market particularly for key skills and expertise in technical areas.

Almost Certain	5				3	
Probable / Likely	4			5,12,13,	18,19	1,8
Possible	3		2	9, 15,16, 17,21	6,10,11,14,20	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 at **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 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, **20** existing risks have been amended, **2** deleted and **3** new risks were added to the ORR this reporting period (previous reporting period was 31st May 2021).

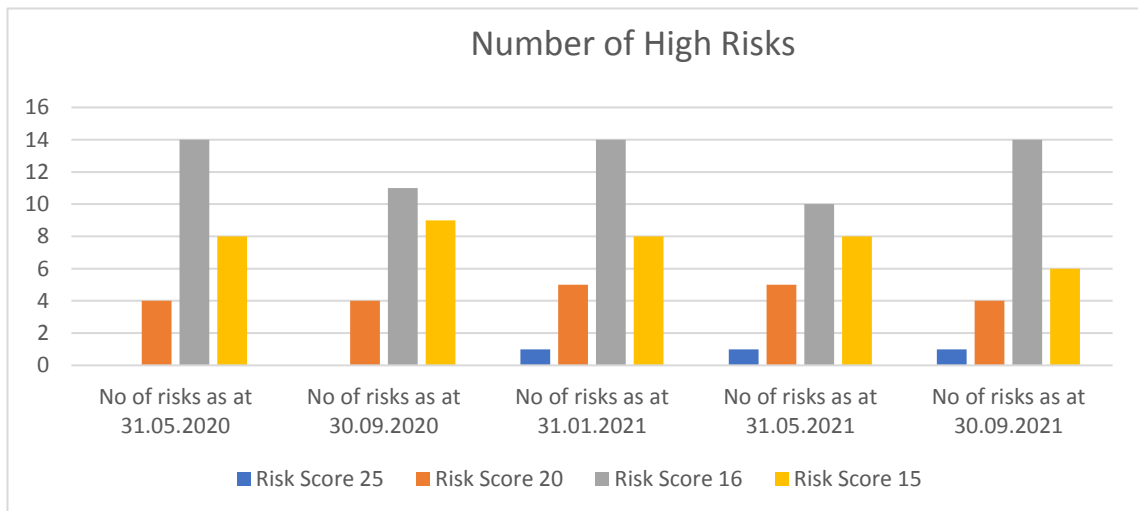
Many amendments relate to target dates reflecting the next quarter review deadline date of 31st January 2022. However, **risks 2, 6, 7, 8, 12, 14, 19, 20 and 21** have further amendments other than target dates. **2** risks were deleted and **3** new risks were added (**Risk No: 1, 22 and 23**)

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 reporting periods 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 graph below provides an overview of the number of high risks ranging from risk rating of **15 to 25** detailed in the **ORR** over the last 5 reporting periods.



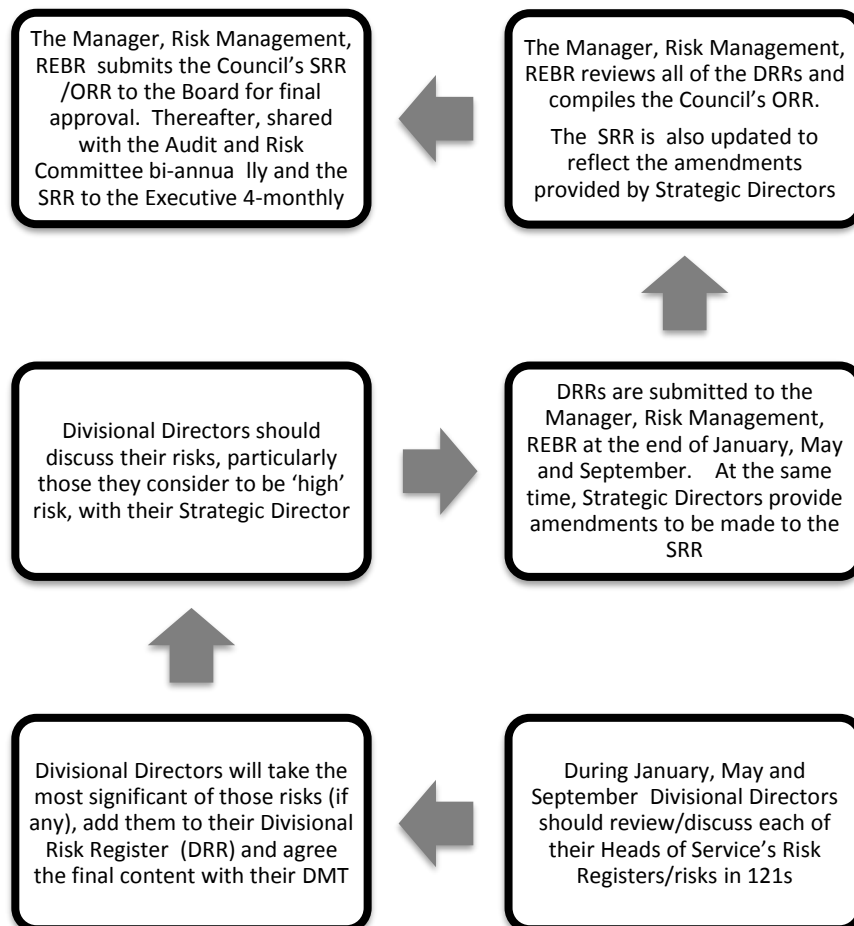
4.5 Both risk registers present the most significant managed/mitigated risks. Whilst there are other key risks, it is the view of Directors that these are sufficiently managed/mitigated for them not to appear in these registers. More detailed registers of operational risks are owned and maintained by 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 Health and Safety Data

A total of 386 incidents were reported in the last quarter. Of these 205 were reported as near misses. The inclusion of the new reporting categories: **Observed Hazard** and **Non-Work Related** are partially reflected in this report as they were introduced mid-way through the reporting cycle. The 10 non work-related incidents and the 3 observed hazards would previously have been reported as near misses. 150 injuries were reported in the last quarter, an increase of 14% from Q1.

The proportion of reported near misses to actual loss events still being in favour of near misses is somewhat reassuring at 205 near misses to 150 injuries. Studies estimate for every injury there is on average 50 near misses.

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.

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.

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 (relate to people with specific protected characteristics such as disability (children with special educational needs, people with mental ill health).

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 30th September 2021

Appendix 2 – Strategic Risks in detail as a 30th September 2021

Appendix 3 – Summary of Operational Risk Register as at 30th September 2021

Appendix 4 – Operational Risks in details as at 30th September 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