

Part 1: Open to the Public – Item No.
or
Part 2: Closed to the Public – Item No.

REPORT OF: Assistant Director, Strategy and Performance

TO: Audit and Accounts Committee

ON: 27 July 2022

TITLE: End of year 2021-22 Strategic Risk Register update

RECOMMENDATIONS:

It is recommended that Audit and Accounts Committee Members:

- a) Note the contents of the End of year 2021/22 Strategic Risk Register update attached at Appendix 1.
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EXECUTIVE SUMMARY:

Risk Management in Salford City Council is about improving our ability to deliver outcomes for the community by managing our threats, enhancing our opportunities and creating an environment that adds value to ongoing activities.

The Report attached at Appendix 1 provides Audit and Accounts Committee members with an end of year update of the current strategic risks to the delivery of Salford's priorities. These are monitored through Corporate Management Team (CMT) and Cabinet Briefing.

BACKGROUND DOCUMENTS:

Salford City Council Risk Management Strategy and Process
2021-22 Strategic Risk Register

KEY DECISION: ~~YES~~/ NO

DETAILS:

1. Background

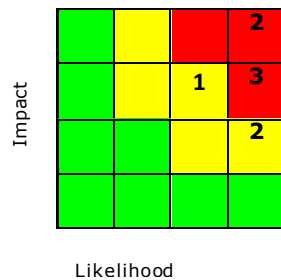
- 1.1 Risk management is both a statutory requirement and an important part of planning for organisations.
- 1.2 Risk Management in Salford City Council is about improving our ability to deliver outcomes for the community by managing our threats, enhancing our opportunities and creating an environment that adds value to ongoing activities. By effectively managing our risks and opportunities, which is all part of good governance, we will be in a stronger position to deliver our objectives, provide improved services to the public and achieve value for money.

2. Risk Management Update

- 2.1 Since 2001, the council has had a Risk Management Strategy and Process in place that describes our approach to risk management in Salford. To make sure that our approach to risk management remains robust and current it is considered good practice to periodically review our Strategy and Process. Our approach had was reviewed and refreshed in autumn 2021.

3. 2021-22 Strategic Risk Register

- 3.1. It is good governance for the Council to maintain and review a register of its strategic risks. Strategic risks are those key, cross cutting issues that affect the governance, legal, financial or reputational interests of the Council. Operational or service specific risks are captured within Service Group Risk Registers in 2021-22 Service Group Business Plans.
- 3.2. Alongside the business planning process in 2021 CMT developed the council's 2021-2022 Strategic Risk Register. All risks included in Risk Registers are identified in line with the council's Risk Management Strategy and are aligned to the council's priorities – The Great Eight.
- 3.3. Summary of Risk Scores currently in Strategic Risk Register



3.4. As at the end of 2021-22 (31 March 2022), there are 8 risks in the council's Strategic Risk Register. Of these 8 risks, 5 have a risk score between 12 and 16 (RAG rated as High, Red). The remaining 3 risks have a score between 6 and 12 (RAG rated as Medium, Amber). These 8 strategic risks, are listed below: -

- Inability to deliver minimum service levels/statutory service levels as a result of a business interruption/emergency incident (16).
- Cyber security (16).
- Financial resilience (12).
- Infectious disease outbreaks (including Coronavirus) (12).
- Ukraine support plans (12).
- Impact of climate change (9).
- Stability and capacity of workforce and maintaining a strong organisational culture (8).
- Effective governance and decision making (8).

3.5. An update on all the risks contained in the council's Strategic Risk Register is attached at Appendix 1.

3.6. Changes to the Strategic Risk Register

As reported at the Audit and Accounts Committee in January, during the first half of 2021-22 there were no risks removed or added to the Strategic Risk Register. All strategic risk scores had remained constant since the previous report presented to Audit and Accounts Committee on 30 July 2021.

During the second half of 2021-22 no risks were removed from the Strategic Risk Register but an additional risk has been added. In April 2022 an additional risk was added in relation to the Council's humanitarian, welfare, housing and financial support for Ukrainian and host families as a result of the current war in Ukraine. This risk was given a risk score of 12 (High red RAG rating) . Several other risk scores were also updated as follows:-

- SCCSRR.002 Stability and capacity of workforce and maintaining a strong organisational culture – the risk score has reduced from 12 (High red RAG rating,) to 8 (Medium amber RAG rating).
- SCCSRR.003 Infectious disease outbreaks including Coronavirus – this risk still has a High RED rag rating but the risk score has reduced from 16 down to 12. This risk has reduced in terms of the likelihood of mass fatalities, and multiple setting outbreaks, detrimental to business continuity as was seen at the height of the pandemic.
- SCCSRR.006 Inability to deliver minimum service levels/statutory service levels as a result of a business

interruption/emergency incident. This risk score remains unchanged but due to the COVID emergency stabilising it is expected that when this risk is next reviewed at the end of July, the score is likely to decrease.

4. Review of Strategic Risk Register

- 4.1. Alongside the 2022-23 business planning process currently underway Service Groups are currently developing their Service Group Risk Registers. Following completion of the Service Group Business Plans at the end of July, CMT will review and refresh the council's Strategic Risk Register. Once this review has taken place the revised Register will be presented to Audit and Accounts Committee.

5. Recommendations

It is recommended that Audit and Accounts Committee Members:

- a) Note the contents of the End of year 2021/22 Strategic Risk Register update attached at Appendix 1.

KEY COUNCIL POLICIES: Risk Management Strategy and Process
2021-22 Service Group Business Plans
Corporate Performance Framework

EQUALITY IMPACT ASSESSMENT AND IMPLICATIONS:

The risks contained in the register relate to many areas of Council risk. Where an equality risk has been identified it will be highlighted in the update report.

ASSESSMENT OF RISK:

This is contained in the Risk Register attached.

LEGAL IMPLICATIONS Supplied by:

Risk Management is a statutory requirement and a key part of the Council's corporate governance.

FINANCIAL IMPLICATIONS Supplied by: N/A

Risk Management is aligned to the council's financial planning process. Risk management processes are considered within existing budgets to manage the risk or contingency plans can be implemented should any risks be triggered.

PROCUREMENT IMPLICATIONS Supplied by: N/A

Risk management is aligned to the council's procurement processes.

HR IMPLICATIONS Supplied by: N/A

Risk Management is aligned to the council's HR policies and processes.

CLIMATE CHANGE IMPLICATIONS:

The impact of climate change is integral to the council's risk management approach.

The Council has also introduced a Climate Change Board which reviewed the council's Climate Change Action Plan and this is also supplemented by subgroups which will focus on difficult challenges.

OTHER DIRECTORATES CONSULTED:

All Service Groups have been consulted.

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WARDS TO WHICH REPORT RELATES: ALL