

Risk Update

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Purpose of the Report

This report is provided to inform committee of the status of the Consolidated Risk Register (Strategic and Category Risks) as at 1st April 2021, as well as to provide and update on risk management arrangements across the authority.

Public Interest

Risk can be described as “The effect of uncertainty on objectives, often described by an event or a change in circumstances”

Risk Management can be described as the coordinated activities to direct and control an organisation with regard to risk.

South Somerset District Council look to ensure effective risk management arrangements are in place to help the Council maximises its opportunities and minimises the impact of the risks it faces. Effective risk management should improve our ability to deliver key priorities, improve outcomes for residents, maintain good governance and minimise any damage to its reputation

Recommendations

That Audit Committee notes:

1. The risk management arrangements in place and provides comment.
2. The status of the risk registers at 1st April 2021 as summarised in Appendix 1.

Background

The risk approach within SSDC is based on the organisational ethos of “One Team”. This is intended to create a risk management approach that looks at risk holistically across the organisation, rather than focussing on performance risks in individual functional units which can lead to silo thinking and inefficiencies.

The SSDC risk approach is now based on a framework of risk registers, which can be summarised as:



South Somerset District Council

- Strategic Risk register which records the significant long term risks facing the authority
- Category registers which will capture corporate risks as well as provide oversight of all project risks coded to a specific category
- “Project” risk registers, developed for projects, initiatives and significant areas of work

The principles of how risks are managed in the authority are described in the risk management policy issued February 2020

Report Detail

A summary of risk position at 31st March 2021 and points of note are:

1. The previously agreed approach to maintain and update the risk register through review with risk category leads and by utilizing established forums such as the Health & Safety Steering Group and People Managers Forum has been challenging to maintain. Under normal circumstances most of these groups meet at least quarterly to review risks formally, however COVID-19 as well as SSDC’s direct involvement in the rollout of the vaccination programme has impacted both on “business as usual” activities as well as the availability of officers. It is hoped that most forums are now able to meet regularly again and more regular reviews of risks will be re-established.
2. Furthermore the last few months have seen a number of significant changes in membership of the senior leadership team and across LMT, a situation which is ongoing. As well as impacting on availability of key personnel this has required reassignment of a significant number of risks and work is ongoing to confirm new risk owners as appointments are made.
3. In this context, the 2020 Q4 risk position update should be considered “partial” as a number of risks have not been formally reviewed within the period. A summary showing the date of last update of individual risks as well as changes in the risk profile compared to the previous quarter are shown in Appendix 1, “2020.Q4 Risk Movements ranked by residual risk score”.
4. **Key points to note with regards to content:** The consolidated risk register includes the strategic and category risk registers as developed for:
 - Finance
 - Staffing and capacity
 - Health and safety
 - Reputation
 - Project and programme delivery
 - Delivery of services
 - Governance and legal

5. Finance Risks: A specific review on financial risks will be held with the newly appointed Section 151 and Lead Specialist – Finance following conclusion of year end activities. Date TBC.
6. Staffing and capacity: Staffing and Wellbeing dashboards are now established and reviewed on a monthly through the People Managers Forum. A specific risk review is scheduled for the 8th June with the group which will be captured in the 2021/22 Quarter 1 register.
7. Health and safety Risks: The recent ‘critical friend’ H&S maturity assessment conducted by Zurich concluded that SSDC demonstrated a commitment to developing a practical and effective approach to health and safety management. However, the assessment recommended risk improvement actions relating to the a number of areas including Competent person(s), planning and policy, safe systems/permits to work as well as Monitoring and audit. In that context the H&S risks will be updated and actions from the improvement plan will be recorded in the risk register as they are agreed.
8. Reputational Risk: No update
9. Project and programme delivery: No Updates. (n.b. Project risk registers related to the regeneration projects are not included in this consolidated risk register as they have their own project boards and governance structure where these project risks are reviewed).
10. Delivery of services: It is clear that challenges from the effects of the pandemic on our residents and businesses are emerging, and the impact on service delivery will require ongoing review. A wider review of the risks for this area will be scheduled with the new Directors for Service Delivery and Place and Recovery. Digital Risks are seen to be reducing as many elements of the Digital Strategy have been successfully implemented, and benefits are being realised.
11. Governance and legal Risks: A new Monitoring Officer and new Section 151 were appointed in Q4. A thorough review of Governance and Legal risks will be scheduled when these officers have had the opportunity to review and appraise current arrangements.
12. COVID 19 risk register: The risk register for COVID 19 was introduced in response to the pandemic and is reviewed and updated by GOLD. It is anticipated that the COVID risk register may be integrated to the corporate risk structure in the coming months as we return to some normality.



13. Audit findings. It should be noted a SWAP Risk audit was conducted in April 21, with the provisional report expected end of May. A summary of the audit findings will be shared with Audit committee on the next committee meeting scheduled for July 29th 2021.

Financial Implications

There are no direct financial implications as a result of this report.

Council Plan Implications

Aligned to our Council Plan values of empowering a confident, flexible workforce

Carbon Emissions and Climate Change Implications

None.

Equality and Diversity Implications

None.

Background Papers

None.
