

Chichester District Council

CORPORATE GOVERNANCE & AUDIT COMMITTEE 23 November 2017

Strategic Risk Update

1. Contacts

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2. Recommendation

- 2.1. That the Committee notes the current strategic risk register and the internal controls in place, plus any associated action plans to manage those risks, and raises any issues or concerns.**
- 2.2. That the Committee notes both the high scoring programme board and organisational risks, and the mitigation actions in place, and raises any issues or concerns.**

3. Background

- 3.1. In accordance with the governance arrangements as set out in the Council's Risk Management Strategy and Policy, the Strategic Risk Group (SRG) reviews the strategic and programme board risk registers, and the high scoring organisational risk register bi-annually. The outcome of their review is then reported to this Committee, which last received an update on the risk registers on 30 March 2017.
- 3.2. It should be noted that the Corporate Management Team (CMT) review the Council's risk registers on a quarterly basis; reviews were undertaken in July and October 2017.

4. Outcomes to be achieved

- 4.1. The Strategic, Programme Board Risk and Organisational Risk Registers are current, and relevant to the Council and its operation, and that those risks are well managed in accordance with the Council's Risk Strategy and Policy.

5. Update on the Strategic Risk Register

- 5.1. The strategic risk register was considered by the relevant risk owner prior to the reviews by CMT and SRG.
- 5.2. SRG considered the updated risk register, with its discussion focussed on the current risk scores, the latest situation affecting the risk position, and the mitigation action plans that are in place or being developed to manage the identified risks.

5.3. The heat map below shows where the individual risks are placed based on the recent assessment against the risk scoring matrix:

| | | | | |
|------------|---|--------|-------|----|
| LIKELIHOOD | | | | |
| | 8 | | | |
| | | 1, 145 | 9, 97 | |
| | | | 88 | 68 |
| IMPACT | | | | |

Key to Risk Numbers:

1 = Financial Resilience, 8 = Skills, Capability/Capacity, 9 = Business Continuity, 68 = Health & Safety, 88 = Recycling Target, 97 = Cyber Risk, 145 = Breach of Data Protection Act

5.4. Since the last report to the Committee in March 2017, the only strategic risk whose risk score has changed is **CRR 88 Recycling Target of 50% by 2020**, which has reduced from a score of 4 to a risk score of 3. This change took place in the first quarterly review in June. All other current risks the scores have remained unchanged since the risk register was last reported to members.

5.5. Appendix 1 (a) and (b) reflect the following recommendations made by SRG:

- a. **CRR 8 Skills/Capability/Capacity:** That a section of the risk description be deleted as follows 'Failure to have resilience in the staff structure and so lack the right number of staff with the right skills to deliver services ~~along with unrealistic expectations of services~~ which could lead to service failure, reputation damage and potential litigation'.
- b. **CRR 68 Health & Safety:** That a new internal control describing the fire safety assessment work carried by officers for Council's buildings and property be added to this risk.
- c. **CRR 97 Cyber Risk Attack:** Remove the first sentence 'Not in ICT control and management' from the internal control 'Physical access door controllers and CCTV' and reword this internal control to state that physical access is controlled.
- d. **CRR 145 Data Protection Act Breach:** That the title is changed to include reference to the General Data Protection Regulations (GDPR) and that a new internal control for Payment Card Industry Data Security Standard (PCI DSS) compliance is added.

5.6. CMT removed risk **CRR 98 Devolution of Public Services** from the risk register as this option is not currently being pursued.

6. Programme Board Risk Registers

- 6.1. Three Programme Boards were set up for Business Improvement, Commercial and Infrastructure matters with head of service leads along with the relevant portfolio holder. A risk register, if necessary, is compiled for each board. Any high scoring risks from these risk registers would be escalated within the Risk Management Framework for consideration by senior officers and members as necessary.
- 6.2. Only one risk from the Programme Boards is currently high scoring; PBR 08 Business Improvement Board - Insufficient resources to deliver projects. Appendix 2 sets out the associated mitigation plans for this high scoring risk. All other risks on the Programme Board registers have risk scores lower than 6.

7. Update on the Organisational Risk Register

- 7.1. The SRG considered the high scoring risks and the associated mitigation plans which are shown in appendix 3 reflects the changes recommended by the group.

8. Other Implications

| | Yes | No |
|------------------------------------------|-----|----|
| Crime & Disorder: | | X |
| Climate Change: | | X |
| Human Rights and Equality Impact: | | X |
| Safeguarding: | | X |

9. Appendices

- 9.1. Appendix 1(a) – Strategic Risk Register
- 9.2. Appendix 1(b) – Strategic Risk Register (Exempt Information – paragraph 3)
- 9.3. Appendix 2 – Mitigation Plans for High Scoring Programme Board Risks
- 9.4. Appendix 3 – Mitigation Plans for High Scoring Organisational Risks

10. Background Papers

- 10.1. None.