

## **RISK MANAGEMENT FRAMEWORK ANNUAL REPORT**

<b>Head of Service:</b>	Gillian McTaggart, Head of Policy, Performance & Governance
<b>Wards affected:</b>	(All Wards);
<b>Urgent Decision?(yes/no)</b>	No
<b>If yes, reason urgent decision required:</b>	
<b>Appendices (attached):</b>	<b>Appendix 1 – Leadership Risk Register</b>

### **Summary**

**This report enables the Committee to meet its responsibilities for monitoring the development of the Council's risk management arrangements**

### **Recommendation (s)**

**The Committee is asked to:**

- (1) consider the arrangements in place for risk management as outlined in the report;**
- (2) review the Leadership Risk Register and determine if there are any risks they wish to raise with the Leadership Team.**

## **1 Reason for Recommendation**

- 1.1 This report updates the Committee on the arrangements for risk management and provides an update on the Leadership Risk Register which identifies the top risks being addressed by the Council.
- 1.2 The management of risk helps to deliver the Council's priorities and services. It also helps to anticipate risks and take proportionate steps.
- 1.3 During 2020, a key element in managing risks has been the Council's response to COVID-19 and the ongoing work on the recovery.

## **2 Background**

# Audit, Crime and Disorder and Scrutiny Committee

## 19 November 2020

- 2.1 This Committee has had responsibility for risk management since 2012 and receives an annual report on the Council's risk management framework.
- 2.2 The function of the risk management framework is to provide a focus of good practice and facilitate, guide and train. Many risks are timeless and managed on a daily basis through internal controls and policies.
- 2.3 The risk management framework covers both operational and strategic risks incorporating insurable risks, emergency planning and business continuity, health and safety and the Council's risk registers.
- 2.4 The current Risk Management Strategy 2017-2021 was approved by this Committee in November 2016. The strategy sets out the roles and responsibilities of Members and Officers. The Leadership Team is responsible for identifying, owning and managing key risks to the Council.
- 2.5 This report sets out the arrangements in place providing an update on strategic risks and providing assurance that risk management is embedded within governance arrangements. It enables the Committee to meet its responsibilities and to provide the Council with assurance on the adequacy of the arrangements in place.

### **3 Risk Management**

- 3.1 The risk management arrangements can have a major impact on the achievement of priorities and delivery of services to the community. The impact of the COVID-19 Pandemic during 2020 has had a significant impact on the Council's arrangements.
- 3.2 Under the Civil Contingency Act, the Council is a Category One provider and has a number of duties in respect of emergency planning. The Council has in place a number of plans which are regularly tested and is a partner within the Surrey Local Resilience Forum which maintains the Community Risk Register. The Council also has a duty to maintain a list of all Vulnerable People within the Borough.
- 3.3 In February, the Leadership Team approved a Covid Pandemic Plan which was circulated to all staff to ensure the Council was prepared.
- 3.4 Surrey County Council and Surrey Fire & Rescue Service declared a major incident on 18 March and this triggered the Council to implement its Emergency Plan, setting up the Incident Management Team and Borough Emergency Command Centre. A number of cells were established; welfare cell, information cell and environment cell. In addition following the national lockdown and Shielding programme a Community Hub was set up to support the community and those deemed extremely clinically vulnerable.

# Audit, Crime and Disorder and Scrutiny Committee

## 19 November 2020

- 3.5 These operated successfully until 31 July when the impact of the emergency reduced and we moved to a business as usual approach.
- 3.6 The major incident has not been stood down, however the nature of this enduring response has changed and will continue to change. The Covid rates within the Borough are monitored and with the introduction of the new local alert levels we have re-established the Pandemic Coordinating Group. This group is working to ensure the Council is prepared should it be placed into a new alert level and can respond as new guidance is introduced by central government.
- 3.7 A report will be brought to the next Committee on the lessons learnt from the emergency response.
- 3.8 There are also significant implications from the COVID-19 pandemic in managing the risks of health and safety. During 2018/2019 the Council's health and safety arrangements were strengthened to ensure compliance with the Health and Safety at Work Act. These have been further developed to support new health and safety guidance on working safely with coronavirus (COVID-19) and the Council has put in place measures to ensure community services could be returned and staff are kept safe.
- 3.9 On 10 May the Government altered advice stating that those who can work at home were urged to return, however all workplaces were required to legally assess the risks in returning.
- 3.10 An officer task and finish group was established to support this and ensure that there was a standardised and compliant approach. Staff have been consulted on the relevant risk assessments and Covid Secure documents and these are available on the intranet. Ongoing responsibility for updating the documentation and ensuring they comply with updates now sits with the relevant Head of Service. Monitoring compliance will be reported through the Corporate Health & Safety Group.
- 3.11 The London Borough of Sutton continues to manage the Council's insurable risks and cover properties, employees, and equipment and public liabilities. There are no significant issues to highlight in this report.

## **4 Leadership Risk Register**

- 4.1 The Leadership Risk Register as outlined in Appendix 1 is reviewed regularly by the Leadership Team and was updated and reported to the Leadership Team in September. COVID-19 has amplified many of the risks facing the Council. The table below outlines the previous top ten risks and the updated risks.

Audit, Crime and Disorder and Scrutiny  
Committee  
19 November 2020

4.1.1 Financial resilience was an existing risk but this has greater focus on the cost of COVID-19 and the loss of income streams. It also identifies a new area of financial risk in the loss of income from commercial tenants.

4.1.2 There are a number of new risks focusing on health & safety, changes to local government structures and the impact of the second wave or a local lockdown.

4.1.3 The risk rating takes into account the mitigation action in place and the Register will next be updated in April 2020.

	Top ten risks Nov 2019	Rating		Top ten risks Nov 2020	Rating
<b>L1</b>	Financial Pressures and the ability to deliver further savings.	<b>High</b>	<b>L1</b>	Financial impact of COVID and the Recovery will result in . loss of income.  Loss of income from commercial tenants.	<b>High</b>
<b>L2</b>	Organisational Capacity - Resilience within the workforce and managing services	<b>High</b>	<b>L2</b>	Council Resilience and disruption to services	<b>High</b>
<b>L3</b>	Delivering and implementing the Local Plan and the 5 year land supply	<b>High</b>	<b>L3</b>	Delivering and implementing the Local Plan and the 5 year land supply	<b>High</b>
<b>L4</b>	Failure to deliver stability, substantial and complex changes and ensure systems and data are safe from any cyber security risks	<b>High</b>	<b>L4</b>	Organisational Capacity and failure to deliver the four year plan and Vision	<b>High</b>
<b>L5</b>	Failure to deliver quality major planning decisions consistently which could lead to designation	<b>High</b>	<b>L5</b>	Failure to provide adequate health and safety and COVID-Secure services	<b>Medium</b>
<b>L6</b>	Impact on residents, key partners & the Borough from Surrey County Council Transformation Agenda and pressure on Council's services	<b>High</b>	<b>L6</b>	Failure to deliver stability, substantial and complex changes and systems with supporting additional home working	<b>High</b>

Audit, Crime and Disorder and Scrutiny  
Committee  
19 November 2020

<b>L7</b>	A lack of capacity and skills to deliver the commercialisation and enterprise agenda	<b>Med</b>	<b>L7</b>	Impact of proposed local government structural change by Surrey County Council	<b>Medium</b>
<b>L8</b>	Delivery of an asset management plan to ensure our assets support the achievement of the council's objectives and the services provided	<b>Med</b>	<b>L8</b>	Impact of a local lockdown of second wave	<b>High</b>
<b>L9</b>	Aligning business objectives with local plan growth	<b>Med</b>	<b>L9</b>	EU Transition or other externally driven events such as NHS winter pressures, and severe weather/flooding.	<b>Medium</b>
<b>L10</b>	Review of the arrangements for the Great Pond Reservoir	<b>High</b>	<b>L10</b>	Impact on economic growth within the Borough	<b>High</b>

4.2 The service risks have been captured as part of the annual governance statement.

## 5 Risk Assessment

Legal or other duties

### 5.1 Impact Assessment

5.1.1 The impact of the COVID-19 Pandemic and ongoing recovery has had a significant impact on the Council's risks.

### 5.2 Crime & Disorder

5.2.1 There are no crime and disorder implications arising from this report

### 5.3 Safeguarding

5.3.1 There are no safeguarding implications arising from this report.

### 5.4 Dependencies

5.4.1 The Council is a partner within the Surrey Local Resilience Forum. Ongoing work to manage and mitigate risks is impacted by local Alert level and rates on COVID-19.

Audit, Crime and Disorder and Scrutiny  
Committee  
19 November 2020

**6 Financial Implications**

6.1 No specific implications

6.2 **Section 151 Officer's comments:** None arising from the contents of this report.

**7 Legal Implications**

7.1 The Civil Contingency Act 2004 and non-legislative measures delivers a single framework for civil protection in the UK.

7.2 **Monitoring Officer's comments:** none arising from the contents of this report.

**8 Policies, Plans & Partnerships**

8.1 **Council's Key Priorities:**

8.1.1 The risk management framework underpins the delivery of all key priorities.

8.2 **Service Plans:**

8.2.1 The work on the COVID-19 response and recovery was not included in the original Service Delivery Plan however it is reflected in the revised version for 2020/21.

8.3 **Climate & Environmental Impact of recommendations:**

8.3.1 No specific implications

8.4 **Sustainability Policy & Community Safety Implications:**

8.4.1 No specific implications

8.5 **Partnerships:**

8.5.1 The Council works in partnership with the London Borough of Sutton for the provision of insurance.

**9 Background papers**

9.1 The documents referred to in compiling this report are as follows:

**Previous reports:**

- Audit, Crime & Disorder and Scrutiny Committee 21 November 2019

**Other papers:**

Audit, Crime and Disorder and Scrutiny  
Committee  
19 November 2020

- None