

RISK MANAGEMENT FRAMEWORK ANNUAL REPORT

Head of Service:	Gillian McTaggart, Head of Corporate Assurance
Wards affected:	(All Wards);
Urgent Decision?(yes/no)	No
If yes, reason urgent decision required:	
Appendices (attached):	Appendix 1 – Corporate Risk Register

Summary

This report provides the Committee with an update in 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 Corporate Risk Register and determine any risks they wish to raise with the Senior Management Team .**

1 Reason for Recommendation

- 1.1 This report updates the Committee on the arrangements for risk management and provides an update on the top risks being addressed by the Council as recorded in the Corporate Risk Register.
- 1.2 This annual report outlines the activities and issues that have occurred. During 2020 and 2021 a key element of managing risks has been the Council's response to the Covid 19 pandemic and the ongoing recovery.

2 Background

- 2.1 The Committee has responsibility for risk management and receives an annual report on the Council's risk management arrangements.

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- 2.2 The risk management framework incorporates both operational and strategic risks . Risk management including emergency planning and business continuity arrangements are not one off activity but are continuous processes run throughout out activities.
- 2.4 The management of risks supports the Council to deliver the Council's priorities and services. It also ensures that controls and mitigation is in place in taking appropriate steps. The Council's arrangements for risk management, emergency planning and business continuity are the disciplines through which the Council manage and mitigate its business operational risks.

3 Risk Management

- 3.1 The continuous improvement of risk management sits with the Senior Management Team and the Corporate Management Team . The current Risk Management Strategy covers the period 2017 to 2021 and it is due for a formal review to ensure that it complies with best practice and is up to date. Work will commence in January to strengthen the existing arrangements aligning with the new directorates. This will be reported to the Senior Management team for discussion and sign off and then will be reported to Committee for review and adoption early next year.
- 3.2 Due to the challenges of the emergency response to the Covid pandemic, the service risks were not updated in 2020 but this will recommence in 2022. When updated, the new Strategy will ensure there is a focus on the new structure with the two new directorates having a risk register rather than each service area.
- 3.3 The risk register has been updated since last reported to the Committee in November 2020 and the amendments are outlined in section 4 below .
- 3.4 Since January 2021, Applied Resilience have been supporting the Council in delivering emergency planning . Applied Resilience provide emergency planning support for several other Surrey boroughs. They are responsible for updating our plans, providing training, and providing practical support during emergencies .
- 3.5 The Surrey Local Resilience Forum (SLRF) stood down the county wide emergency response to the Covid pandemic in April 2021, which was 13 months after having declared a major incident. An update on the Council's response was provided to this Committee on 8 April 2021. Despite the major incident being stood down, we have continued to work with partners for each stage and monitor the covid rates locally . The Council's Pandemic Plan is being updated reflecting lessons learnt in preparation for the next stages of the pandemic.

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- 3.6 Applied Resilience have provided support for a range of emergency requests including local testing, local fuel shortages due to supply issues, two significant fires and significant flooding within the Borough during the summer.
- 3.7 They have also reviewed and updated several plans including Borough's emergency plan, Emergency Assistance Plan. They have also been providing a training programme covering rest centres, Incident Liaison Officers (ILO's) and operating a Borough Emergency Command Centre (BECC). They are currently working on our winter preparations and Adverse Weather Plan, which takes into account the potential impact of other risks relating to Brexit and fuel supplies.
- 3.8 Considerable work on the service business continuity plans was undertaken in 2019/20 in preparation for the Council's response to the Covid Pandemic. The Council's overarching Business Continuity Plan was last updated in 2019 and work will be undertaken in 2022 to update it, taking into consideration our new organisational structure. In September, the Council carried out an IT Disaster Recovery exercise which overall was successful. Some areas for improvement were identified and these will form part of ICT Road Map. Further work will also be undertaken on our Business Impact Analysis.
- 3.9 A mini exercise with the Corporate Management Team is planned for later this year and the team will also be supporting an exercise in relation to the Great Dam Reservoir in 202.
- 3.10 The Council continue to be insured through an arrangement with the London Borough of Sutton. They cover all our insurable risks including employees, public liability, properties and equipment. There are no significant risks to highlight in this report.

4 Corporate Risk Register

- 4.1 The Corporate Risk Register (previously Leadership Risk Register) as outlined in Appendix 1 is reviewed by management. Many of the current risks have been impacted by Covid pandemic and will continue to do so as we return to a more business as usual model. The Table below outlines the previous top ten risks and the updated risks for 2021.

	Top ten risks Nov 2020	Rating		Top ten risk Nov 2021	Rating
L1	Financial impact of COVID and the Recovery will result in loss of income. Loss of income from commercial tenants.	High	S1	Financial outlook and the impact on income levels including income from commercial tenants	High
L2	Council Resilience and	High	S2	Disruption to Council Services	High

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	disruption to services			Backlog and ongoing disruption to services due to impact of Covid and other disruptions to services Impact of further lockdowns, adverse weather, and fuel supply	
L3	Delivering and implementing the Local Plan and the 5 year land supply	High	S3	Local Plan Delivering and implementing the Local Plan and the 5 year land supply	High
L4	Organisational Capacity and failure to deliver the four year plan and Vision	High	S4	Organisational Capacity and Capability . Failure to deliver the Vision, four year plan, annual plan and service delivery plans	High
L5	Failure to provide adequate health and safety and COVID Secure services	Med	S5	Health & Safety Failure to provide adequate health and safety and covid secure	Med
L6	Failure to deliver stability, substantial and complex changes, and systems with supporting additional home working	High	S6	ICT capacity and resilience Failure to deliver stability, substantial and complex changes, and systems with supporting additional home working	High
L7	Impact of proposed local government structural change by Surrey County Council	Med	S7	County Deal Impact of proposed deal by Surrey County Council	Med
L8	Impact of a local lockdown of second wave	High	S8	Economic Regeneration Impact on economic growth within the Borough	Med
L9	EU Transition or other externally driven events such as NHS winter pressures, and severe weather/flooding.	Med	S9	Climate Change Failure to reduce CO2 omissions and meet targets	Med
L10	Impact on economic growth within the Borough	High	S10	Loss of Data/ breach of GDPR/ Cyber Threat	Med

4.2 The main changes for the Committee to note are

4.2.1 S8 Economic Regeneration was previously L10

4.2.2 S9 Climate Change and S10 Loss of data/data breach and Cyber threat are new risks.

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4.2.3 The previous L8- Impact of a second lockdown has been included within S2 , disruption to council services

4.2.4 The previous L9 EU Transition or other externally driven events such as NHS winter pressures, and severe weather/flooding has also been included in S2.

5 Risk Assessment

Legal or other duties

5.1 Impact Assessment

5.1.1 The impact of the Covid !9 pandemic and ongoing recovery has had a significant impact on the Council's risk.

5.2 Crime & Disorder

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

5.3 Safeguarding

5.3.1 There are no specific safeguarding concerns arising from this report

5.4 Dependencies

5.4.1 The Council works with the Surrey Local Resilience Form (SLRF) to respond to emergencies . This respond is impact by changes to government guidance and legislation.

5.5 Other

5.5.1 No specific implications.

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

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- 7.1 The Civil Contingency Act 2004 and non-legislative measures deliver a framework for civil protection. Under the Civil Contingency Act, the Council is a Category One provider and has several duties in respect of emergency planning. The Council has in place several 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.
- 7.2 **Legal Officer's comments:** none arising from the contents of this report.

8 Policies, Plans & Partnerships

- 8.1 **Council's Key Priorities:** The risk management framework underpins the delivery of all key priorities. :
- 8.2 **Service Plans:** The matter is included within the current Service Delivery Plan.
- 8.3 **Climate & Environmental Impact of recommendations:** No specific implications
- 8.4 **Sustainability Policy & Community Safety Implications:** No specific implications
- 8.5 **Partnerships:** The council work with the London Borough of Sutton for the provision of insurance and Applied Resilience for emergency planning support.

9 Background papers

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

Previous reports:

- Audit, Crime & Disorder and Scrutiny - 19 November 2020 Risk Management Framework Annual Report
- Audit, Crime & Disorder and Scrutiny - 8 April 2021 The Council's response to the Covid 19 Pandemic and learning points

Other papers:

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