

Meeting date: 17th June 2021

Report to: Cabinet



Subject/report title: **RISK MANAGEMENT INFORMATION REPORT**

Report from: Director of Resources & Deputy Chief Executive

Report author/lead Oliver Dodds – Audit Manager

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Wards affected:

- All Wards | Bickenhill | Blythe | Castle Bromwich | Chelmsley Wood |
 Dorridge/Hockley Heath | Elmdon | Kingshurst/Fordbridge | Knowle |
 Lyndon | Meriden | Olton | Shirley East | Shirley South |
 Shirley West | Silhill | Smith's Wood | St Alphege

Public/private report: Public

Exempt by virtue of paragraph:

1. Purpose of Report

- 1.1 The purpose of this report is to provide Cabinet with an annual update on the Council's strategic risk register.

2. Decision(s) recommended

- 2.1 Cabinet is asked to consider the information produced regarding the Council's identified strategic risks and, if it is felt appropriate comment on any additional risks or mitigating factors that should be reflected in the strategic risk register.

3. Matters for Consideration

- 3.1 Cabinet holds the Corporate Leadership Team (CLT) accountable for the effective management of risk and monitors these arrangements through an annual performance report. The previous report was presented to Cabinet on 16th July 2020.
- 3.2 Cabinet is asked to consider the information provided and, if appropriate comment on any additional risks or mitigating factors that should be reflected in the strategic risk register.
- 3.3 Risk register reports are attached at **Appendix A and Appendix A1**. These risk registers detail the strategic risks (Corporate and Covid-19) that could have a

significant impact on the Council's ability to achieve its objectives (*please note that **Appendix B** contains confidential information which is exempt under paragraph 3*). The risk registers provides Cabinet with details of:

- The potential risk event (Risk);
- The action being taken to manage the identified risk (Mitigation);
- Who is responsible for making sure the risk is effectively managed (Risk Owner);
- The net risk level (which takes into account the actions currently being taken) and how this has changed since it was initially identified (Risk Travel);
- When the risk was last subject to review (Progress).

3.4 The following table prioritises the identified strategic risks in terms of their likelihood and potential impact, showing how the risks have changed over the past three years. It includes an additional column to indicate the Covid-19 risks recorded in the Corporate Covid-19 risk register created in response to the pandemic in 2020.

| Net Risk Level | Risks as at 21/5/19 | Risks as at 18/6/20 | Current Risks (as at 01/6/21) | Current Covid-19 Risks (as at 01/06/21) | Likelihood and Impact Criteria |
|----------------|---------------------|---------------------|-------------------------------|---|---|
| Red 9 | 2 | 2 | 1 | 1 | Highly likely in the next twelve months, potential cost in excess of £250k, serious service failure directly affecting vulnerable groups, national media attention, highly damaging |
| Amber 8 | 6 | 4 | 5 | 2 | Likely in the next two years, potential cost in excess of £250k, serious service failure directly affecting vulnerable groups, national media attention, highly damaging |
| Amber 7 | 4 | 6 | 6 | 2 | Possible within the next three years, potential cost in excess of £250k, serious service failure directly affecting vulnerable groups, national media attention, highly damaging |
| Amber 6 | 1 | 1 | 1 | - | Highly likely in the next twelve months, potential cost between £100-250k, service failure directly affecting customers/ council operations, sustained local media attention |
| Amber 5 | - | 1 | 1 | 2 | Likely in the next two years, potential cost between £100-250k, service failure directly affecting customers/ council operations, sustained local media attention |
| Green 4 | 2 | 1 | 2 | 3 | Likely in the next 3 years, potential cost between £50-£100k, significant service disruption, short term local media attention |
| Total | 15 | 15 | 16 | 10 | |

3.5 Key points for Cabinet to note include:

- a) The strategic risk register was last reviewed by the Corporate Leadership Team (CLT) on 4th May 2021;
- b) At the time of writing this report, there was 1 strategic net red risk identified which relates to the West Midlands Combined Authority;
- c) The total number of strategic risks has increased to 16;
- d) The net risk levels for the risks relating to the West Midlands Combined Authority, Information Security, Children’s Services pressures, Children’s Services - Duty of Care, Adult Social Care pressures, Adult Social Care – Duty of Care, Domestic Abuse, Local Enterprise Partnership, SEND Placements, Warning Marker systems and Mell Square Car Park have remained the same;
- e) The net risk levels for the risks relating to MTFs Delivery and Brexit implications have reduced;
- f) There has been 1 new risk added to the strategic risk register relating to compliance with changes in the Domestic Abuse legislation.

4. What options have been considered and what is the evidence telling us about them?

4.1 Not applicable for this report

5. Reasons for recommending preferred option

5.1 Not applicable for this report.

6. Implications and Considerations

6.1 State how the proposals in this report contribute to the priorities in the [Council Plan](#):

| Priority: | Contribution: |
|--|---|
| <p>Economy:</p> <ol style="list-style-type: none"> 1. Revitalising our towns and local centres. 2. UK Central (UKC) and maximising the opportunities of HS2. 3. Increase the supply of housing, especially affordable and social housing. | <p>Risk management contributes to the Council’s priorities by providing a framework whereby risks to the achievement of objectives are effectively managed and mitigated against, thereby increasing the likelihood that those objectives are achieved.</p> |
| <p>Environment:</p> <ol style="list-style-type: none"> 4. Enhance Solihull’s natural environment. 5. Improve Solihull’s air quality. 6. Reduce Solihull’s net carbon emissions. | <p>Risk management contributes to the Council’s priorities by providing a framework whereby risks to the achievement of objectives are effectively managed and mitigated against, thereby increasing the likelihood that those objectives are achieved.</p> |
| <p>People and Communities:</p> <ol style="list-style-type: none"> 7. Take action to improve life chances in our most disadvantaged communities. | <p>Risk management contributes to the Council’s priorities by providing a framework whereby risks to the achievement of objectives are</p> |

| | |
|--|---|
| <p>8. Enable communities to thrive.</p> <p>9. Sustainable, quality, affordable provision for adults & children with complex needs.</p> | <p>effectively managed and mitigated against, thereby increasing the likelihood that those objectives are achieved.</p> |
|--|---|

6.2 Consultation and Scrutiny:

6.2.1 In addition to this report to Cabinet, regular risk management performance reports are presented to Audit Committee and the Corporate Leadership Team (CLT).

6.3 Financial implications:

6.3.1 There are no financial implications as a direct consequence of this report. However, there are potential cost implications if an identified risk were to occur and this forms part of the net risk level assessment.

6.4 Legal implications:

6.4.1 No direct implications.

6.5 Risk implications:

6.5.1 Production of this report forms part of the Council's agreed approach to risk management. This approach is not intended to eliminate all risks and not all risks identified can be managed all of the time. In addition, risks will still exist that have not been identified. However, based on the information provided, it is the opinion of the Corporate Leadership Team that the significant risks have been identified, assessed and arrangements are in place to manage them effectively.

6.6 Equality implications:

6.6.1 No direct implications.

7. List of appendices referred to

7.1 Appendix A details the Council's strategic risks

7.2 Appendix A1 details the Corporate Covid-19 risks

7.3 Appendix B contains confidential information

8. Background papers used to compile this report

8.1 Copies of any supplementary risk registers can be obtained by emailing oliver.dodds@solihull.gov.uk

9. List of other relevant documents

9.1 Not applicable for this report.