**Report of Corporate Assurance Manager**

**To**

**GOVERNANCE AND STANDARDS COMMITTEE**

**On**

**14 July, 2021**

# **CORPORATE RISK AND OPPORTUNITY MANAGEMENT – ANNUAL REPORT**

##### **SUMMARY**

* 1. This report details the results of the assessment completed by the Corporate Assurance Manager of the Council’s corporate risk and opportunity management arrangements against good practice.

1.2 An update, as at 1 July 2021, on progress made in respect of implementing the agreed improvement actions from the review undertaken during 2020/2021 of the Council’s Strategic Risks and Opportunities Register is detailed in Table 2.

* 1. The Council’s Strategic Risks and Opportunities Register which was revised in August 2020 to adequately reflect the effect of the Covid-19 pandemic upon the Council’s risk management framework has been reviewed again in June 2021 to ensure that it continues to reflect current risks. The revised version is enclosed as Table 3.

#### **2 RECOMMENDATION**

i) That the proposed revised “Roles and Responsibilities” section of the Council’s Corporate Risk and Opportunity Management Strategy as detailed in Table 1 be recommended to the Head of Law and Governance for approval

ii) That the current position in respect of implementing the Strategic Risks and Opportunities Register improvement actions as detailed in Table 2 be noted

iii) That the proposed revised Strategic Risks and Opportunities Register as detailed in Table 3 be recommended to the Head of Law and Governance for approval

#### **3 BACKGROUND**

**Corporate Risk and Opportunity Management Strategy**

3.1 The Corporate Risk and Opportunity Management Strategy was reviewed by the Corporate Assurance Manager and has been revised in line with the changes made to the corporate risk and opportunity management framework in respect of roles and responsibilities due to the discontinuation of the Corporate Officer Risk Group and the introduction of quarterly reporting to the Heads of Service – Performance Clinic meetings.

3.2 The proposed revised “Roles and Responsibilities” section of the Strategy is detailed in Table 1 below for consideration by this Committee prior to being formally approved by the Head of Law and Governance:

Table 1 – Revised Roles and Responsibilities

|  |  |
| --- | --- |
| Portfolio Holder – Finance & Corporate | * To champion the corporate risk and opportunity management strategy as part of policy development |
| CLT | * To determine the Council’s risk appetite * To own strategic risks and opportunities |
| Head of Law and Governance | * To approve the corporate risk and opportunity management strategy * To approve the strategic risk and opportunities register * To ensure the Council has effective corporate risk and opportunity management arrangements in place |
| Corporate Assurance Manager | * To review the corporate risk and opportunity management strategy annually * To provide advice and support to CLT and service managers on the corporate risk and opportunity management processes * To ensure that there is an effective assurance framework in place in respect of the strategic risks and opportunities * To consider emerging strategic risks or opportunities * To develop existing arrangements in accordance with good practice * To provide training on corporate risk and opportunity management to officers and members * To report to the Heads of Service – Performance Clinic on a quarterly basis and the Governance and Standards Committee at least twice yearly on the effectiveness of the corporate risk and opportunity management processes * To ensure full alignment of the Internal Audit Plan with the Council’s strategic risks |
| Service Managers | * To support CLT in the implementation of the corporate risk and opportunity management strategy * To effectively manage service risks and opportunities |
| Resilience Board | * To meet at least quarterly * To review and approve new emergency plan * To maintain existing emergency plan * To develop and maintain business continuity plans * To make recommendations to CLT on any required actions / spending |
| Governance and Standards Committee | * To monitor the effective development and operation of corporate risk and opportunity management |
| Employees | * To identify and report actual or potential risks or opportunities to their line manager * To implement actions as required to comply with the corporate risk and opportunity management strategy |

**Current Strategic Risks & Opportunities Register – Actions Update**

3.1 In order to provide assurance that the Council continued to have effective corporate risk management arrangements in place, its existing Strategic Risks and Opportunities Register was reviewed in August 2020 to ensure that it was up to date and accurately reflected the impact of the pandemic on the Council.

3.2 The Corporate Assurance Manager met with the allocated strategic risk / opportunity owners and relevant senior managers in order to review the existing key controls and enablers and to re-score their current effectiveness in accordance with the definitions stated below:

0 - Totally ineffective

1 - Partly effective

2 - Mainly effective

3 - Fully effective

3.3 The following parameters were used to determine the overall level of effectiveness:

High - Greater than 80%

Medium - 50 – 79%

Low - Less than 50%

3.4 The position in respect of implementing the agreed improvement actions was reviewed by the Corporate Assurance Manager with the findings being reported back to the Governance and Standards Committee on 17 February 2021.

3.5 A report was also presented to the Governance and Standards Committee on 17 March 2021 by the Corporate Asset Manager in respect of “Risk 4: Ineffective management of Non–HRA Council Buildings” which had been classed as a high risk.

3.5 As part of the annual review of the Council’s corporate risk management arrangements, the Corporate Assurance Manager has revisited the outstanding improvement actions and produced a position statement as at 1 July 2021 detailed in Table 2 below.

**Table 2 : Strategic Risks and Opportunities Register Improvement Actions – Position Statement**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Ref** | **Action** | **Lead Officer** | **Target Date** | **Position as at 1 July 2021** |
| **Risk 1 Insufficient funds to deliver statutory services – Risk Level Low** | | | | |
| 1 | To review Financial Regulations and finance related sections of the Council’s Constitution with the aim of combining into one document | Financial Services Manager | 31 March 2022 | Not due for implementation |
| 2 | Delivery of Procurement Training with Nottingham City Procurement Service | Adrian Pullen | 31 December 2020 | Implemented as at 1 July 2021 – Training delivered on the new Procurement Strategy |
| **Risk 2 Failure to deliver the expected outcomes from projects requiring a key decision – Risk Level Low** | | | | |
| 3 | To have a dedicated “project management” section within the decision making reporting template to detail monitoring / reporting arrangements and mechanism for sharing lessons learnt | Mike Robinson / Sarah Hall | 31 March 2021 | Implemented as at 17 February 2021 – Included in the revised decision making reporting templates |
| **Risk 3 Non-compliance with procurement practices – Risk level Medium** | | | | |
| 4 | Maintain procurement strategy working group and meet quarterly | Mike Robinson | 30 September 2020 | Implemented as at 17 February 2021- The procurement strategy working group has been replaced by the procurement delivery group which is meeting monthly to oversee the implementation of the Council’s procurement strategy |
| 5 | Draft and Issue FAQs in consultation with Nottingham City Procurement Team | Adrian Pullen | 31 October 2020 | These will accompany the Council’s revised Contract Procedure Rules, which are currently being consulted upon |
| 6 | Launch revised procurement strategy with Marketing and Communications Team | Adrian Pullen | 31 August 2020 | Implemented as 1 July 2021 |
| 7 | Improve officer advice for contracts below £25,000 and management of the contracts register | Adrian Pullen | 31 October 2020 | Implemented as 1 July 2021 – Supported by feedback received by the LGA consultant |
| 8 | Deliver annual reports to the Governance & Standards Committee and Heads of Service on compliance issues and procurement strategy. | Adrian Pullen | 31 March 2021 | Implemented as at 1 July 2021 – A Report have been presented to the Governance & Standards Committee on the Council’s new Procurement Strategy and the revised Contract Procedure Rules will be presented to this Committee on 14 July 2021 as part of the consultation process |
| 9 | Deliver annual report to O and S Corporate on procurement KPIs in consultation with Nottingham City Procurement Team. | Adrian Pullen | 31 March 2021 | Implemented as at 1 July 2021 – Procurement KPIs are included in the service plan for the Law & Governance department with outcomes reported to O and S Corporate in a quarterly basis as part of the corporate performance reporting |
| **Risk 4 Ineffective management of Non–HRA Council Buildings – Risk Level High** | | | | |
| 10 | To introduce an adequately resourced Corporate Landlord Model | Philip Colledge | 31 July 2021 | Statutory compliance is delivered through relevant Heads of Service with the Facilities Management team providing specific advice and procuring corporate service contracts. A review of Facilities Management is currently being undertaken by Business Transformation including the potential introduction of a corporate landlord model to centralise all statutory compliance and repairs and maintenance |
| 11 | To commission asset condition surveys for high priority properties | Philip Colledge | 30 April 2021 | Asset condition surveys are required for all properties. However, a two-phased approach is being undertaken with 11 key assets being targeted in 1st phase.  A pilot survey scheme has been carried out of the Palace Theatre and Museum and the remaining 9 surveys will now be commissioned through Nottingham City’s Procurement Service with a revised Target Date of 31 August 2021 |
| 12 | To re-assess and re-programme PPW for high priority properties | Philip Colledge | 30 June 2021 | The backlog maintenance works identified from the above asset condition surveys will be prioritised and used to update the PPW programme within the existing General Fund Capital Programme, together with advising of additional funding requirements in future to adequately maintain the Council’s land and buildings - Revised Target Date of 30 September 2021 |
| **Risk 4a Ineffective management of Council HRA Buildings – Risk Level Medium** | | | | |
| 13 | Develop the Housing asset management database | Craig Tinsley | 31 March 2021 | The digitalisation of paper records has begun in advance of transfer to an improved asset database. An asset database is in place now. The structure of the asset database is being expanded and improved to ensure it is designed in line with the key building components identified in the forthcoming stock condition survey profile. Further IT development work is required to design the QL asset database to suit the needs of the service going forward.  Revised Target Date: 30 September 2021 |
| 14 | Progress Housing Repairs Service re-structure which includes the aim of delivering effective asset management | Craig Tinsley | 31 December 2020 | Service review is currently underway in a 2-phased approach with the compliance element of the structure being prioritised as part of phase 1. Compliance roles will be the first roles to be recruited to from April 2021. Formal consultation to begin on phase 2 from August 2021.  Revised Target Dates:  Phase 1 recruitment to begin from April 2021  Phase 2 – formal consultation to begin August 21 |
| 15 | Progress stock condition surveys subject to Covid-19 restrictions | Craig Tinsley | 31 December 2020 | Currently awaiting contract agreement from the contractor as amendments to MDC’s standard terms and conditions were required by Legal services. Once contracts have been agreed by both parties and signed, a desktop compliance review will be undertaken (initial work has been completed in preparation for contract agreement). In parallel to the compliance review, a series of trial surveys will begin and the main physical stock condition survey will then start. It is expected that in normal times condition surveys of this size would last for 3 months however access will be more limited as a result of the pandemic and will take up to 5/6 months. The start date of the physical survey will be dependent on any local lockdowns and Covid restrictions plus tenant access.  Revised Target Dates:  August 2021 – Compliance desktop review  September 2021 - Trial surveys and main condition survey – subject to Covid restrictions and any lockdowns |
| 16 | Commence delivery of findings from stock condition surveys | Craig Tinsley | 31 March 2021 | Once the compliance desktop review is complete this will help inform future compliance monitoring arrangements across the housing service as well as future compliance improvement work/programmes.  On completion of the stock condition survey, data will be included within the asset management database to inform future capital improvement programmes  Revised Target Dates:  From August 2021 onwards – Compliance Review  From Sept 2021 onwards – stock condition survey implementation (subject to Covid restrictions) |
| **Risk 5 Failure to deliver the expected outcomes in the Transformation Strategy – Risk Level Medium** | | | | |
| 17 | Complete vacancy review with Heads of Service | Karen Barke | 30 September 2020 | Implemented as at as at 17 February 2021 |
| 18 | Present regular progress monitoring reports on the delivery of the Transformation Strategy to Members | Julie Hanson | 10 September 2020 (Corporate OSC) | Implemented as at 17 February 2021 |
| **Risk 6 Non-compliance with legislation or ineffective governance leading to challenge – Risk Level Medium** | | | | |
| 19 | Delivery of training plan in respect of internal policies and procedures in consultation with Talent and Skills Team. | Karen Barke | 31 March 2021 | Karen Barke has been allocated as lead officer to identify internal policies / procedure and ensure these are updated regularly and refresher training delivered.  Revised Target Date: 30 September 2021 |
| 20 | Review of Decision Making process and issue of guidance to Officers | Sarah Hall | 30 September 2020 | Implemented as at 1 July 2021 - The revised decision making reporting templates and guidance have been finalised |
| 21 | Revision of Reports structure and consultees. | Sarah Hall | 30 September 2020 | Implemented as at 1 July 2021 - The revised decision making reporting templates and guidance have been finalised |
| 22 | Review of Decision Making in emergency times and adherence to Decision Making Process. | Adrian Pullen | 31 October 2020 | Implemented as at 17 February 2021 - Guidance was issued in July 2020 and assurance has been undertaken with no issues identified |
| **Risk 8 Failure to deliver services due to inadequate management and planning of the workforce – Risk Level Medium** | | | | |
| 23 | Strengthen governance and monitoring of the people strategy action plan | Karen Barke | 30 November 2020 | Implemented as at 17 February 2021 - The exception report is reviewed by the JCC Committee each quarter. The People First group meet on a quarterly basis to review the Strategy actions. All actions are help and monitored through Pentana |
| 24 | Positive promotion of the Council as an employer of choice | Karen Barke | 31 December 2020 | Implemented as at 17 February 2021 - Key attributes are promoted on the recruitment portal. For key posts an adapted portal is used. Employee benefits are reviewed and publicised on recruitment portals as part of the recruitment package. |
| 25 | Develop a digital skills development programme | Lorraine Powney | 31 December 2020 | Work undertaken and plan in progress – Revised Target Date of 31 December 2021 |
| **Risk 9 Failure to deliver services due to lack of effective business continuity arrangements – Risk Level Medium** | | | | |
| 26 | To review business continuity arrangements in light of Covid-19 | James Repp | 31 October 2020 | Implemented as at 1 July 2021 |
| **Risk 11 Ineffective data management and security leading to a data breach – Risk Level Medium** | | | | |
| 27 | Establish work programme for the Information Governance Group | Sarah Hall | 31 August 2020 | Implemented as at 1 July 2021 |
| 28 | Review and update the information management strategy and assign tasks | Sarah Hall | 31 December 2020 | Implemented as at 1 July 2021 |
| 29 | Deliver annual report on Information Governance compliance to Portfolio Holder – Corporate Resources and Heads of Service | Sarah Hall | 31 December 2020 | Report has been prepared as at 1 July 2021 |
| **Risk 12 Ineffective governance of commercial property investments – Risk Level Low** | | | | |
| 30 | To re-commence meetings of the Asset Acquisition Board | Phil Colledge | 30 September 2020 | Implemented as at 17 February 2021 |
| **Risk 13 Adverse impact on service delivery due to Brexit – Risk Level Low** | | | | |
| 31 | To include delivery of Brexit related actions within Economic Recovery Plan | Fardad Amirsaeedi | 31 December 2020 | Implemented as at 17 February 2021 |
| **Opportunity 1 More efficient and effective services through increased collaborative working**  **and better use of resources with partners – Opportunity Level Medium** | | | | |
| 32 | To re-launch the performance management framework in line with the new corporate priorities | Julie Hanson | 31 December 2020 | Implemented as at 17 February 2021 |
| 33 | To finalise the Council’s communications strategy | Helen Sisson | 31 December 2020 | Since lockdown the Marketing & Communications department has been working to an agreed emergency communications plan to prioritise Covid and CLT have approved communications plans to support the council’s recovery groups; Humanitarian, Organisational and Business and Economy. All three plans communicate internally and externally the strategic work of the authority as the Council continues to operate in an environment that moves between response and recovery during this challenging time.  A formal strategy will be completed by 31 December 2021 |
| **Opportunity 2 Data driven insight in order to develop more customer focussed services – Opportunity Level Medium** | | | | |
| 34 | To implement system and train staff on data analytics and the use of spatial data i.e. GIS | Jeanette Marples | 31 March 2021 | Delayed due to the pandemic – Revised Target Date: 31 March 2022 |

**Revised Strategic Risks & Opportunities Register**

3.6 As a number of the improvement actions have now been implemented, the Corporate Assurance Manager met with certain of the relevant risk / opportunity owner and relevant managers where it was felt that there was potential to increase the existing “Current Effectiveness” scores.

3.7 As a result of this exercise, Strategic Risk No. 6: “Non-compliance with legislation or ineffective governance leading to challenge” has decreased from a Medium to a Low risk.

3.8 However, Strategic Risk No.4: **“**Ineffective management of Non–HRA Council Buildings” remains as a high risk due to only minimal progress with implementing the agreed improvement actions.

3.9 The revised Register is enclosed as Table 3 below for consideration by this Committee prior to approval by the Head of Law and Governance.

3.10 As part of the review of the Strategic Risks & Opportunities Register, emerging risks and opportunities were considered for future inclusion and it was agreed that the following risks needed to be added:

* Climate change (meeting green agenda / net zero targets etc)
* Resilience of IT infrastructure linked to agile working
* Cyber Security
* Commercial property investments
* Compliance with statutory requirements in respect of Council assets such as fire / legionella etc.

3.11 Templates will be developed for the above emerging risks by the Corporate Assurance Manager and the relevant risk owners and managers and a separate briefing will be held with the Governance and Standards Committee in September to consider them in detail prior to approval.

**Table 3: Strategic Risks and Opportunities Register**

**Risk 1 Insufficient funds to deliver statutory services Owner: Head of Finance**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Key Controls** | **% Weighting** | **In Place** | **Target Effectiveness** | **Current Effectiveness** |
| * 1. Robust budget setting process | 20% | 1 | 3 | 3 |
| 1.2. Robust management and monitoring process for significant income streams and areas of expenditure | 40% | 1 | 3 | 3 |
| 1.3 Compliance with Financial Regulations, Procurement procedures and other relevant guidance and procedures | 20% | 1 | 3 | 2 |
| 1.4 Maintaining an adequate level of reserves | 20% | 1 | 3 | 3 |
| Effectiveness Scores | 100% |  | 100% | 93% |
| **Risk Level : LOW** |  |  |  |  |

**Improvement Actions**

|  |  |  |
| --- | --- | --- |
| **Action** | **Lead Officer** | **Target Date** |
| To review Financial Regulations and finance related sections of the Council’s Constitution with the aim of combining into one document. | Financial Services Manager | 31 March 2022 |

**Risk 2 Failure to deliver the expected outcomes from projects Owner: Mike Robinson**

**requiring a key decision**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Key Controls** | **% Weighting** | **In Place** | **Target Effectiveness** | **Current Effectiveness** |
| 2.1 Approved business case | 20% | 1 | 3 | 3 |
| 2.2 Effective project management procedures which are proportionate to risk and include identification of significant grant conditions / project risks | 50% | 1 | 3 | 3 |
| 2.3 Effective monitoring of key projects | 20% | 1 | 3 | 2 |
| 2.4 Sharing lessons learnt from projects | 10% | 1 | 3 | 2 |
| Effectiveness Scores | 100% |  | 100% | 90% |
| **Risk Level : LOW** |  |  |  |  |

**Risk 3 Non-compliance with procurement practices Owner: Head of Law & Governance**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Key Controls** | **% Weighting** | **In Place** | **Target Effectiveness** | **Current Effectiveness** |
| 3.1 Up to date procurement strategy / procedures and guidance effective communication and training | 25% | 1 | 3 | 2 |
| 3.2 Effective communication and training on procurement procedures and rules | 15% | 1 | 3 | 2 |
| 3.3 Effective monitoring process to ensure compliance with relevant procedures and guidance | 15% | 1 | 3 | 2 |
| 3.4 Adequate level of professional procurement expertise available and fully utilised eg data analysis | 15% | 1 | 3 | 3 |
| 3.5 Up to date contract management procedures in place | 15% | 1 | 3 | 3 |
| 3.6 Effective communication and training on contract management procedures | 15% | 1 | 3 | 2 |
| Effectiveness Scores | 100% |  | 100% | 77% |
| **Risk Level : MEDIUM** |  |  |  |  |

**Improvement Actions**

|  |  |  |
| --- | --- | --- |
| **Action** | **Lead Officer** | **Target Date** |
| Draft and Issue FAQs in consultation with Nottingham City Procurement Team to accompany the revised Contract Procedure Rules | Adrian Pullen | 31 July 2021 |

**Risk 4 Ineffective management of Non–HRA Council Buildings Owner: Head of Planning & Regeneration**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Key Controls** | **% Weighting** | **In Place** | **Target Effectiveness** | **Current Effectiveness** |
| 4.1 Up to date and accurate records maintained | 20% | 1 | 3 | 1 |
| 4.2 Up to date PPW programme in place | 20% | 1 | 3 | 1 |
| 4.3 Effective delivery of the PPW programme | 20% | 1 | 3 | 1 |
| 4.4 Compliance with statutory requirements by delivering actions identified from condition surveys | 40% | 1 | 3 | 1 |
| Effectiveness Scores | 100% |  | 100% | 34% |
| **Risk Level : HIGH** |  |  |  |  |

**Improvement Actions**

|  |  |  |
| --- | --- | --- |
| **Action** | **Lead Officer** | **Target Date** |
| To introduce an adequately resourced Corporate Landlord Model | Philip Colledge | 31 July 2021 |
| To commission asset condition surveys for high priority properties | Philip Colledge | 31 August 2021 |
| To re-assess and re-programme PPW for high priority properties | Philip Colledge | 30 September 2021 |

**Risk 4a Ineffective management of Council HRA Buildings Owner: Head of Housing**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Key Controls** | **% Weighting** | **In Place** | **Target Effectiveness** | **Current Effectiveness** |
| 4.1 Up to date and accurate records maintained on the asset management database | 20% | 1 | 3 | 2 |
| 4.2 Up to date PPW programme in place | 20% | 1 | 3 | 2 |
| 4.3 Effective delivery of the PPW programme | 20% | 1 | 3 | 2 |
| 4.4 Completion of stock condition surveys | 20% | 1 | 3 | 1 |
| 4.5 Compliance with statutory requirements by delivering actions identified from condition surveys | 20% | 1 | 3 | 2 |
| Effectiveness Scores | 100% |  | 100% | 59% |
| **Risk Level : MEDIUM** |  |  |  |  |

**Improvement Actions**

|  |  |  |
| --- | --- | --- |
| **Action** | **Lead Officer** | **Target Date** |
| Develop the Housing asset management database | Craig Tinsley | 30 September 2021 |
| Progress Housing Repairs Service re-structure which includes the aim of delivering effective asset management  Service review is currently underway in a 2-phased approach with the compliance element of the structure being prioritised as part of phase 1.  Compliance roles will be the first roles to be recruited to  Formal consultation to begin on phase 2 | Craig Tinsley  Craig Tinsley | Commencement from April 2021  Commencement from August 2021 |
| Progress stock condition surveys subject to Covid-19 restrictions  Once contracts have been agreed by both parties and signed, a desktop compliance review will be undertaken.  In parallel to the compliance review, a series of trial surveys will begin and the main physical stock condition survey will then start. | Craig Tinsley  Craig Tinsley | 31 July 2021  31 October 2021 |
| Commence delivery of findings from stock condition surveys  Once the compliance desktop review is complete this will help inform future compliance monitoring arrangements across the housing service as well as future compliance improvement work/programmes.  On completion of the stock condition survey, data will be included within the asset management database to inform future capital improvement programmes | Craig Tinsley  Craig Tinsley | 31 July 2021  Commencement from September 2021 |

**Risk 5 Failure to deliver the expected outcomes in the Owner: Head of People & Transformation**

**Transformation Strategy**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Key Controls** | **% Weighting** | **In Place** | **Target Effectiveness** | **Current Effectiveness** |
| 5.1 Effective financial monitoring and robust governance arrangements and processes | 35% | 1 | 3 | 2 |
| 5.2 Proactive establishment and vacancy management | 10% | 1 | 3 | 3 |
| 5.3 Drive savings through service re-design | 15% | 1 | 3 | 2 |
| 5.4 Explore new ways of working to maximise efficiency | 10% | 1 | 3 | 3 |
| 5.5 Effective deployment of technology | 20% | 1 | 3 | 2 |
| 5.6 Maintain existing service contracts and explore new commercial contracts | 10% | 1 | 3 | 2 |
| Effectiveness Scores | 100% |  | 100% | 73% |
| **Risk Level : MEDIUM** |  |  |  |  |

**Risk 6 Non-compliance with legislation or ineffective Owner: Head of Law & Governance**

**Governance leading to challenge**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Key Controls** | **% Weighting** | **In Place** | **Target Effectiveness** | **Current Effectiveness** |
| 6.1 Expertise and knowledge of relevant legislation in place in all areas | 30% | 1 | 3 | 2 |
| 6.2 Completion of mandatory returns in accordance with legal requirements for example annual accounts, VAT returns and Annual Governance Statement | 20% | 1 | 3 | 3 |
| 6.3 Inclusion of relevant professionals in and adherence to the decision making process in both normal and emergency times | 30% | 1 | 3 | 3 |
| 6.4 Compliance with internal policies and procedures to ensure compliance with legislation and demonstrate effective governance for example Constitution, Financial Regulations and Contract Procedure Rules | 20% | 1 | 3 | 3 |
| Effectiveness Scores | 100% |  | 100% | 90% |
| **Risk Level : LOW** |  |  |  |  |

**Improvement Actions**

|  |  |  |
| --- | --- | --- |
| **Action** | **Lead Officer** | **Target Date** |
| Delivery of training plan in respect of internal policies and procedures in consultation with Talent and Skills Team. | Karen Barke | 30 September 2021 |

**Risk 7 Harm to children or vulnerable adults due to the Owner: Chief Executive Officer**

**Council not meeting its safeguarding responsibilities**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Key Controls** | **% Weighting** | **In Place** | **Target Effectiveness** | **Current Effectiveness** |
| 7.1 Up to date Safeguarding Policy and procedures in place supported by effective communication and training | 40% | 1 | 3 | 3 |
| 7.2 Effective monitoring process to ensure compliance with policies and procedures | 25% | 1 | 3 | 3 |
| 7.3 Effective processes and procedures for reporting, collecting and sharing data with a focus on outcomes | 20% | 1 | 3 | 3 |
| 7.4 Learn lessons from & implement recommendations from Serious Case Reviews | 15% | 1 | 3 | 3 |
| Effectiveness Scores | 100% |  | 100% | 100% |
| **Risk Level : LOW** |  |  |  |  |

**Risk 8 Failure to deliver services due to inadequate Owner: Head of People & Transformation**

**management and planning of the workforce**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Key Controls** | **% Weighting** | **In Place** | **Target Effectiveness** | **Current Effectiveness** |
| 8.1 Effective delivery of the people strategy | 30% | 1 | 3 | 2 |
| 8.2 Pay and benefits to retain and attract | 20% | 1 | 3 | 2 |
| 8.3 Adequately skilled and digitally aware workforce | 15% | 1 | 3 | 2 |
| 8.4 Good reputation of the Council as an employer | 15% | 1 | 3 | 2 |
| 8.5 Effective workforce development programme | 20% | 1 | 3 | 2 |
| Effectiveness Scores | 100% |  | 100% | 74% |
| **Risk Level : MEDIUM** |  |  |  |  |

**Improvement Actions**

|  |  |  |
| --- | --- | --- |
| **Action** | **Lead Officer** | **Target Date** |
| Develop a digital skills development programme | Lorraine Powney | 31 December 2021 |

**Risk 9 Failure to deliver services due to lack of Owner: Head of Health & Communities**

**effective business continuity arrangements**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Key Controls** | **% Weighting** | **In Place** | **Target Effectiveness** | **Current Effectiveness** |
| 9.1 Regular review and audit of the Disaster Recovery Plan and delivery of required training | 30% | 1 | 3 | 2 |
| 9.2 Access to relevant personnel in accordance with the service out of hours rotas | 15% | 1 | 3 | 2 |
| 9.3 Effective monitoring arrangements by the Resilience Board | 25% | 1 | 3 | 3 |
| 9.4 - Compliance with business continuity arrangements and approved system with provision of advice to small businesses | 30% | 1 | 3 | 2 |
| Effectiveness Scores | 100% |  | 100% | 75% |
| **Risk Level : MEDIUM** |  |  |  |  |

**Risk 10 Failure to provide an effective Council Owner: Head of Health & Communities**

**response to an emergency situation**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Key Controls** | **% Weighting** | **In Place** | **Target Effectiveness** | **Current Effectiveness** |
| 10.1 Compliance with the Civil Contingencies Act Seven Statutory Duties | 25% | 1 | 3 | 3 |
| 10.2 Regular review and testing of Emergency Plan and delivery of required training | 20% | 1 | 3 | 2 |
| 10.3 SLA with Nottinghamshire County Council | 30% | 1 | 3 | 3 |
| 10.4 Effective monitoring of emergency planning through the Council's Resilience Board | 10% | 1 | 3 | 3 |
| 10.5 Access to relevant personnel out of hours in accordance with the emergency rota | 15% | 1 | 3 | 2 |
| Effectiveness Scores | 100% |  | 100% | 88% |
| **Risk Level : LOW** |  |  |  |  |

**Risk 11 Ineffective data management and security Owner: Head of Law & Governance**

**leading to a data breach**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Key Controls** | **% Weighting** | **In Place** | **Target Effectiveness** | **Current Effectiveness** |
| 11.1 Up to date policies and procedures on use of personal data and breach management, records management and ICT protocols | 25% | 1 | 3 | 3 |
| 11.2 Effective training on above policies and procedures | 25% | 1 | 3 | 2 |
| 11.3 Effective monitoring process to ensure compliance with above policies and procedures | 25% | 1 | 3 | 2 |
| 11.4 Effective monitoring of the information asset register to ensure it is kept up to date | 25% | 1 | 3 | 2 |
| Effectiveness Scores | 100% |  | 100% | 76% |
| **Risk Level : MEDIUM** |  |  |  |  |

**Risk 12 Ineffective governance of commercial Owner: Head of Planning & Regeneration**

**property investments**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Key Controls** | **% Weighting** | **In Place** | **Target Effectiveness** | **Current Effectiveness** |
| 12.1 Appointment of external specialist consultants to advise on commercial property acquisitions and management | 20% | 1 | 3 | 3 |
| 12.2 Compliance with the Council's investment strategy | 20% | 1 | 3 | 3 |
| 12.3 Compliance with commercial property investment procedures and guidance | 20% | 1 | 3 | 3 |
| 12.4 Regular meetings of Asset Acquisition Board including performance updates | 20% | 1 | 3 | 2 |
| 12.5 Effective estate management of commercial property investments | 20% | 1 | 3 | 3 |
| Effectiveness Scores | 100% |  | 100% | 97% |
| **Risk Level : LOW** |  |  |  |  |

**Risk 13 Adverse impact on service delivery Owner: Strategic Director**

**due to Brexit**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Key Controls** | **% Weighting** | **In Place** | **Target Effectiveness** | **Current Effectiveness** |
| 13.1 Risk schedule has been produced | 25% | 1 | 3 | 3 |
| 13.2 Mitigation plan has been agreed and monitored | 25% | 1 | 3 | 3 |
| 13.3 Effective communication with all key stakeholders | 25% | 1 | 3 | 2 |
| 13.4 Regular meetings of Brexit working group | 25% | 1 | 3 | 2 |
| Effectiveness Scores | 100% |  | 100% | 84% |
| **Risk Level : LOW** |  |  |  |  |

**Opportunity 1 More efficient and effective services through Owner: Head of People & Transformation**

**increased collaborative working and better use**

**of resources with partners**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Key Enablers** | **% Weighting** | **In Place** | **Target Effectiveness** | **Current Effectiveness** |
| * 1. Organisational understanding, support and buy in to the principles of collaborative working | 50% | 1 | 3 | 2 |
| * 1. Shared understanding and collaborative delivery | 10% | 1 | 3 | 2 |
| * 1. Effective performance management framework | 30% | 1 | 3 | 2 |
| * 1. Effective communication and engagement strategies | 10% | 1 | 3 | 2 |
| Effectiveness Scores | 100% |  | 100% | 67% |
| **Opportunity Level : MEDIUM** |  |  |  |  |

**Improvement Actions**

|  |  |  |
| --- | --- | --- |
| **Action** | **Lead Officer** | **Target Date** |
| To finalise the Council’s communications strategy | Helen Sisson | 31 December 2021 |

**Opportunity 2 Data driven insight in order to develop more Owner: Head of People & Transformation**

**customer focussed services**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Key Enablers** | **% Weighting** | **In Place** | **Target Effectiveness** | **Current Effectiveness** |
| 2.1 Accessible data | 50% | 1 | 3 | 2 |
| 2.2 Effective system in place to enable data analysis | 25% | 1 | 3 | 2 |
| 2.3 To take appropriate action resulting from data analysis outcomes | 25% | 1 | 3 | 2 |
| Effectiveness Scores | 100% |  | 100% | 67% |
| **Opportunity Level : MEDIUM** |  |  |  |  |

**Improvement Actions**

|  |  |  |
| --- | --- | --- |
| **Action** | **Lead Officer** | **Target Date** |
| To implement system and train staff on data analytics and the use of spatial data i.e. GIS | Jeanette Marples | 31 March 2022 |

#### **Conclusion**

3.3 It is considered that the Council’s corporate risk and opportunity management arrangements are effective, although it is important that all the improvement actions identified for the strategic risks and opportunities are fully implemented, particularly in respect of the high risk area.

#### **4. OPTIONS AVAILABLE**

Proposed Revision to the Corporate Risk and Opportunity Management Strategy

#### 4.1 The Committee can either recommend the revised “Roles and Responsibilities” section for approval or suggest amendments to it.

Position Statement – Implementation of Strategic Risks and Opportunities Register Improvement Actions

4.2 This is for noting only

Proposed Revised Strategic Risks and Opportunities Register

#### 4.3 The Committee can either recommend the revised Register for approval or suggest amendments to it.

**5** **RISK ASSESSMENT OF RECOMMENDATIONS AND OPTIONS**

|  |  |  |  |
| --- | --- | --- | --- |
| **Risk** | **Risk Assessment** | **Risk Level** | **Risk Management** |
| Legal | There are potential legal risks to the Council if it does not have effective risk management arrangements | Low | Compliance with existing arrangements and implementation of the actions identified for improvement will effectively mitigate the risk |
| Financial | There are potential financial risks to the Council of either significant unplanned expenditure or unrealised income generation opportunities if it does not have effective risk management arrangements | Low | Compliance with existing arrangements and implementation of the actions identified for improvement will effectively mitigate the risk |
| Reputation | There are potential reputational risks to the Council if it does not have effective risk management arrangements | Low | Compliance with existing arrangements and implementation of the actions identified for improvement will effectively mitigate the risk |

#### **6 ALIGNMENT TO COUNCIL PRIORITIES**

6.1 The need to maintain effective risk management arrangements is fundamental to the Council as it endeavours to achieve its priorities.

#### **7 IMPLICATIONS**

(a) Relevant Legislation

Regulation 3 of the Accounts and Audit Regulations 2015 specifically requires that a relevant authority must ensure that it has a sound system of internal control which includes effective arrangements for the management of risk.

(b) Human Rights

The Human Rights Act 1998 is not engaged as no particular individual is directly affected by the decision.

(c) Equality and Diversity

An initial impact assessment has been completed and it concludes that the proposed actions are fair and equitable in their content and are not discriminative on the grounds of equality and human rights.

(d) Climate change and environmental sustainability

The proposed actions in the report do not have any environmental implications and have no effect on the climate.

(e) Crime and Disorder

There are no implications for crime and disorder

(f) Budget/Resource

There are no implications

**8** **COMMENTS OF STATUTORY OFFICERS**

Monitoring Officer – Effective risk and opportunity identification provide assurance that effective controls and management of those risks and opportunities are in place.

Section 151 Officer – No specific comments

**9 CONSULTATION**

9.1 The position statement in respect of the Strategic Risks and Opportunities Register improvement actions and the proposed revised Register have been presented to CLT

**10 BACKGROUND PAPERS**

None

|  |  |  |
| --- | --- | --- |
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