



Report to Audit and Governance Committee

Date:	27 September 2023
Title:	Risk Management Group Update
Relevant councillor(s):	N/A
Author and/or contact officer:	Maggie Gibb, Head of Business Assurance (& Chief Internal Auditor)
Ward(s) affected:	N/A
Recommendations:	Members are recommended to note the report.
Reason for decision:	N/A

1. Executive summary

- 1.1 The purpose of the report is to provide an update on the Risk Management Group (RMG) meeting held on 17 July 2023.
- 1.2 The Council's Risk Management Framework, including the Terms of Reference for the Risk Management Group, was approved by the Audit and Governance Committee in June 2021.

2. Content of report

- 2.1 For the RMG meeting held on 17 July 2023, the Head of Business Assurance presented the Strategic Risk Register along with Key Financial Risks from across all directorates.
- 2.2 The RMG considered the Strategic Risk Register which is regularly reviewed by the Corporate Management Team (CMT) and noted the new risks and changes to existing risks.

The strategic risks were as follows:



- 2.3 **CMT-01 Governance Failure** - Lack of clarity around governance arrangements. IF proper governance arrangements are not clear and effective THEN outcomes and objectives may not be achieved and there could be a reputational and/or financial impact on the Council with the potential for major service disruption and failure to meet statutory requirements. There can be a number of causes of governance failure such as increased pressures through number of elected members, service pressures and the increased risk of fraud/corruption during the cost-of-living crisis.
- 2.4 **CMT-02 Children's Services Ambition to be Good (formerly Ofsted inspection / improvement plan)** – IF we fail to successfully embed our improvement activity and transformation plans for the service THEN we are unlikely to deliver upon the Council's vision to provide consistently good services to Buckinghamshire's children and young people.
- 2.5 **CMT-04 Major contract commissioning and/or market failure** - Supply chain issues/financial viability of suppliers/poor contract management/market failure/quality assurance of providers. IF there is failure in the market/supply chain/contract management, THEN Service failure may result, and the Council will fail to act effectively as a Commissioning Authority.
- 2.6 **CMT-05 Changes in the national and local policy landscape** - Government policy. IF the Government introduces new policies that affect Buckinghamshire residents such as Domestic Abuse, Education Reforms, Planning Reforms, Business Rate Retention & Health & Social Care Integration THEN these may place additional pressures on Council services.
- 2.7 **CMT-06 Technology breaches / failure** - Lack of resilience of systems, insufficient security to support agile working, insufficient network security to prevent a cyber-attack, loss of data or breach of data protection. IF systems fail, data is lost, or data protection breached THEN the Council will suffer severe reputational and financial damage and data could be used inappropriately.
- 2.8 **CMT-08 Failure to set a robust and balanced budget and deliver financial plans** - Challenging Medium Term Financial Planning (MTFP) process and poor budget forecasting leading to an inability to know where the authority is financially; putting considerable pressure on reserves leading to inappropriate management action.
- 2.9 **CMT-09 Insufficient Capacity** - Reduced capacity and increased levels of stress. IF there continues to be an increase in volume of activity at the same time as resource in the organisation decreases THEN there may be an impact on the wellbeing of the workforce and increased levels of stress, and a failure to deliver services.

- 2.10 **CMT-13 SEND** - IF we do not make sufficient progress against the Written Statement of Action (WSOA) THEN this will impact on the quality of services provided to children and families.
- 2.11 **CMT-14 Adult Social Care Statutory Services** - IF Adult Social Care's statutory responsibilities are not delivered on THEN there may be unintentional adverse consequences to vulnerable adults and to the Council.
- 2.12 **CMT-17 High Speed 2 (HS2) Impact on communities and environment** - IF the Council does not secure the best possible mitigation of the HS2 construction and long-term impacts THEN there will be an increase in negative impacts on the community and Buckinghamshire's environment.
- 2.13 **CMT-25 Energy Costs** - Given the current economic uncertainties around Energy prices, IF electricity and gas expenditure exceed budgets, THEN this will create an additional financial burden for the Council and may require further service reductions / savings to be made.
- 2.14 **CMT-26 Housing Infrastructure Fund (HIF)** - Risk of a failure to deliver the requirements of the HIF contracts between the Council and Homes England. This will mean that critical infrastructure and associated housing sites do not come forward. The Council then faces risks related to repaying costs, funding shortfalls in finances and jeopardising the five-year housing land supply.
- 2.15 **CMT-27 Placement Sufficiency for Children** - IF there is not sufficient placement available for children in care and care leavers, including Unaccompanied Asylum-Seeking Children and those in unregulated provision THEN continued shortage of supply will lead to further excessive costs, poor placement choice, more Buckinghamshire children being placed further away from the county, further unregulated placements being made and poor outcomes.
- 2.16 **CMT-28 Delivery of Climate Change and Air Quality Strategy** - IF the Climate Change & Air Quality Strategy action plan is not delivered on programme THEN we may not achieve our carbon reduction targets leading to reputational damage for the Council.
- 2.17 **CMT-29 Impact of Climate Change on Council Services** - IF Council services do not consider climate change in service and business continuity planning THEN Council services may not be suitably prepared to manage the impacts of a changing climate, leading to worse outcomes for the environment, public health and service delivery.
- 2.18 **CMT-30 Delivery of Major Change Projects** - IF there is insufficient capacity, with the correct expertise and skills, assigned to major change projects/implementation of major new contracts/new systems/service changes THEN this may lead to failure to deliver the desired outcomes of the change project. This could have an adverse impact on services to customers increasing the reputational risk.

2.19 **CMT-31 Lack of Delivery of Affordable Housing** - The Council has a duty to provide a planning framework for the development of housing in Buckinghamshire, and accommodation for those who are homeless. S106 will provide affordable housing managed by Registered Providers, therefore developers will have a role to play in meeting housing demand. IF there is not sufficient supply to meet demand for housing needs including substantive temporary accommodation and asylum seekers THEN this may exacerbate pressures as there would be a continuing or increased requirement for nightly paid temporary accommodation.

2.20 **CMT-32 Adults – Managing Demand** – IF demand for services increases beyond forecasts, THEN there is a risk of an overspend on the budget.

2.21 The risks were discussed in detail, as well as the mitigating actions being challenged by the members.

3. Other options considered

3.1 This should include information on the pros and cons of each option.

4. Legal and financial implications

None.

5. Corporate implications

None.

6. Local councillors & community boards consultation & views

6.1 N/A

7. Communication, engagement & further consultation

7.1 N/A

8. Next steps and review

8.1 The next meeting of the Risk Management Group is to be held on 22 September 2023.

9. Background papers

9.1 None.



10. Your questions and views (for key decisions)

- 10.1 If you have any questions about the matters contained in this report please get in touch with the author of this report. If you have any views that you would like the cabinet member to consider please inform the democratic services team. This can be done by telephone 01296 382343 or email democracy@buckinghamshire.gov.uk.

