

Rother District Council

Report to: Audit and Standards Committee

Date: 22 March 2021

Title: Risk Management Update

Report of: Robin Vennard, Assistant Director Resources

Purpose of Report: To consider the updated corporate risk register and to discuss the issues and actions detailed in the report.

Officer

Recommendation(s): **Recommendation to COUNCIL:** That the amended Risk Management Policy at Appendix B be adopted;
AND

It be **RESOLVED:** That:

- 1) the Council's Corporate Risk Register at Appendix A be noted; and
 - 2) the Heads of Service be invited to future meetings to review their service risk registers as set out in this report.
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Introduction

1. This update report for Members covers any major issues in Risk Management affecting the Council during 2020/21. Risk refers to the uncertainty that surrounds future events and outcomes. It is essential that the Council has a strong approach to Risk Management, particularly with the current environment of a global pandemic and ongoing substantial financial pressures.

COVID – 19 Pandemic

2. This year continued to be dominated by dealing with the impact of the COVID-19 pandemic in terms of the Council's operations and finances supporting the community and business. As reported to this Committee in September, a number of risk management related issues were identified that will help the Council in responding going forward. Two of those issues identified require further work:
 - a. **Sustainably meeting a long term crisis** – the ongoing nature of the pandemic has shown that the Council's business continuity plans need to be expanded to reflect the changes in how the Council is now working and to reflect the issue of diverting staff resources through government expectation and direction.
 - b. **Supply chains and contractor resilience** – early delivery of ICT equipment to enable home working and continued supplies of the right quality of Personal Protective Equipment were very difficult to secure. Consideration will be given to how supply chain contracts are established in future to better guarantee supply when needed, although it should be

recognised that individually the Council's buying power is unlikely to make a major difference. For the major contracts, business continuity plans were in place to deal with the pandemic effectively, but this has come at a cost to the Council. One additional issue is that where our contractor is a charity, then their financial resilience may be limited, and the Council is likely to have to provide ongoing financial support. This will need to be considered as part of the Council's financial reserve strategy.

3. Members will be aware that since reporting in September, there have been two further national lockdowns due to the pandemic. The measures the Council has put in place meant it was able to maintain services. The Government roadmap gives optimism that the restrictions placed on the country will start to be lifted. However, should this not be achievable, then the delivery of the Council's day to day business could suffer and there will be further costs incurred by the Council. It is not clear at this point, whether even more Government funding will be forthcoming to help support the Council.

Corporate Risk Register

4. The Corporate Risk Register has been updated to reflect the most recent review by Corporate Management Team. There are minimal changes to make Members aware of, save for since the last report a number of risks have been updated to reflect actions and contingencies in place.
5. At present the register shows the likelihood of a further pandemic remaining at its highest level. With the advances in medical science (in particular speed of vaccination development and deployment) and the measures the Council took to ensure full home working capability for staff, it is felt that the impact on service delivery going forward has been mitigated to a significant extent.
6. Further risks added to the register include:
 - a) **Failure to comply with legislation** – the inclusion of this risk in the corporate risk register reflects the financial pressures on the Council where, due to the impact of limited resources, services may struggle to meet their statutory obligations.
 - b) **Delivery of Corporate Plan** – Members will be aware that the new corporate plan is currently out for consultation. There are a number of risks connected to delivery of the plan including having sufficient physical and financial resources. In addition, as some of the commitments go beyond the current administration, then as with any political organisation, there may be a change in policy direction that affects their achievement.

Risk Management Policy

7. The Council maintains a simple overarching Risk Management Policy (Appendix B) which sets out the responsibilities of Members, Corporate Management Team and Heads of Service. This is backed up by the Risk Management Framework which is underpinned by service based risk registers and project based risk registers. This policy has been updated to reflect the current officer structure of the Council.

8. Given the impact of the pandemic on Council services and the recent changes in the Council structure, it is suggested that between June 2021 and September 2022 that this Committee review each of the service risk registers. This will give Members awareness of the key service based risks and the mitigation measures that are in place to prevent or reduce their impact. It is suggested that the reviews are presented in the following order:

Meeting	Service Area	Head of Service
June 2021	Environmental Services	Richard Parker Harding
September 2021	Acquisitions, Transformation and Regeneration	Ben Hook
December 2021	Neighbourhood Services	Deborah Kenneally
March 2022	Resources and Corporate Core	Robin Vennard/ Malcolm Johnston
June 2022	Housing and Community	Joe Powell
September 2022	Strategy and Planning	Tim Hickling

Conclusion

9. The 2020/21 year has placed significant pressure on the Council to support local people, businesses and still maintain the delivery of services. It has come at a considerable financial cost, not all of which will be underwritten by the Government. The ongoing financial pressure on the Council means that inevitably its acceptance of risk will have to increase, but this needs to be actively managed by both officers and Members. The experience of COVID-19 has shown in a very practical way how the Council can mobilise itself quickly and efficiently to change and expand how it delivers services whilst managing the inherent risks associated with rapid change. This learning needs to be embedded throughout the organisation and the review of service risk registers affords the opportunity for this to happen.

Other Implications	Applies?	Other Implications	Applies?
Human Rights	No	Equalities and Diversity	No
Crime and Disorder	No	Consultation	No
Environmental	No	Access to Information	No
Sustainability	No	Exempt from publication	No
Risk Management	No		
Report Contact Officer:	Robin Vennard		
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Appendices:	Appendix A – Corporate Risk Register Appendix B – Risk Management Policy		
Relevant Previous Minutes:	None.		
Background Papers:	None.		
Reference Documents:	None.		