

Audit and Governance Committee

Meeting to be held on Monday, 25 September 2017

Report of the Head of Legal and Democratic Services

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| Electoral Division affected: (All Divisions); |
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Risk and Opportunity Register Quarter 2

(Appendix 'A' refers)

Contact for further information:

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Executive Summary

This report provides an updated (Quarter 2) Risk and Opportunity Register for the Committee to consider and comment upon.

Recommendation

The Committee is asked to consider and comment on the updated Risk and Opportunity Register set out at Appendix 'A'.

Background and Advice

Following the corporate approach to reporting on risk and opportunity the quarter 2 Risk and Opportunity register was recently reported to Management Team and the Cabinet Committee on Performance Improvement. An updated Risk and Opportunity Register is attached at Appendix 'A' and the Committee is asked to comment upon it.

There are a number of entries on the current register that reflect the financial strategy and policies of the previous administration. Therefore, the register will, at the appropriate time, need to be updated to reflect the new administration's financial strategy, policies and organisational proposals. These include:

- CR1 Failure to implement the County Council's MTFS
- CR2 Risk to the on-going financial viability of the county council
- CR4 Delivering organisational transformation
- CR16 Management of the County Council's assets
- CO1 Delivering a new model for public service delivery in Lancashire

The key highlights in the register include:

- for this quarter there are three new entries to the register:
 - CR29 Delayed Transfer of Care (DTOC)
 - CR30 Prevent people being drawn into terrorist activity
 - CO5 Apprenticeship levy
- for this quarter there is one deletion:
 - CO3 Opportunities through delivering the draft corporate strategy and property strategy
- allowing for mitigating actions, the residual risk score for the following entries remain 12 or above so the issue remains on the register:

| Risk Identification Number (RIN) | Risk Description |
|---|---|
| CR1 | Failure to implement the county council's MTFS. Residual risk score remains unchanged. |
| CR2 | Risk to the on-going financial viability of the county council. Residual risk score remains unchanged. |
| CR4 | Delivering Organisational Transformation. Residual risk score remains unchanged. |
| CR5 | Inability to adequately protect and safeguard children. Further mitigating actions added. Residual risk score remains unchanged. |
| CR6 | Failure to comply with statutory requirements and duties relating to CLA, children in need and children leaving care. Further mitigating actions added. Score remains unchanged. |
| CR7 | Failure to recruit and retain experienced staff within Children's services. Residual risk remains unchanged |
| CR8 | Reputational damage and risk of direct intervention by DFE. Residual risk remains unchanged. |
| CR12 | Inability to implement/maintain systems that produce effective management information. Further mitigating actions added but residual score remains the same. |
| CR16 | Management of the County Council's assets. Further mitigating actions added but residual score remains the same. |
| CR20 | Transforming care (Winterbourne). Residual score remains at 12. |
| CR21 | Service user/customer risk associated with the inability to influence behaviour change in demand and expectations continue to rise. Controls and mitigating actions updated but residual score remains at 12. |
| CR24 | Failure to achieve targets with National Troubled Families Unit. Remains unchanged. |
| CR25 | Failure to implement and meet the statutory requirement to children and young people with special educational needs and/or disabilities remains unchanged. |
| CR26 | Proposed museums closures. Further mitigating actions added but residual score remains the same. |
| CR27 | The mobilisation of the home care framework and subsequent service transfer process. Mitigating actions are being put in place but the residual score remains the same. |

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| CR28 | Risk of not fulfilling our statutory duty in relation to Court of Appeal applications. Controls and mitigating actions have been agreed but the residual score remains the same. |
| CR29 | Delayed Transfer of Care. Controls and mitigating actions have been agreed but the residual score remains above 12 so it has been added to the register. |
| CR30 | Prevent people being drawn into terrorist activity. Controls and mitigating actions have been agreed to fulfil our duty but the residual score remains above 12 so it has been added to the register. |
| CO1 | Establishing a new model for public service delivery in Lancashire. No change. |
| CO2 | Delivering economic growth. Further maximising actions added. |
| CO4 | Health & Social Care Integration. Narrative no change |
| CO5 | Apprenticeship levy and apprentice % in public sector. New opportunity that has been added to the register. |

Consultations

N/A

Implications:

This item has the following implications, as indicated:

Risk management

Good governance enables an authority to pursue its vision effectively as well as underpinning that vision with sound arrangements for control and management of risk. An Authority must ensure that it has a sound system of internal control which includes effective arrangements for the management of risk. Failure to develop and maintain a Corporate Risk and Opportunity Register means the Council would be negligent in its responsibilities for ensuring accountability and the proper conduct of public business.

List of Background Papers

| Paper | Date | Contact/Tel |
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N/A

Reason for inclusion in Part II, if appropriate

N/A