

**Audit, Risk and Governance Committee**  
Meeting to be held on Monday, 24 July 2023

Electoral Division affected:  
(All Divisions);

**Corporate Risk and Opportunity Register – Quarter 1 Update**  
(Appendices 'A' and 'B' refer)

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**Brief Summary**

This report provides an updated (Quarter 1 2023/24) Corporate Risk and Opportunity Register for the committee to consider and comment on. The register has been refreshed to reflect the council's current operating environment and is presented to this committee to provide a progress update and assurance that the current risk management arrangements are both robust and effective.

The updated Corporate Risk and Opportunity Register is attached at Appendix 'A'. The risk entries for Cyber Security, the Oracle Fusion Data Breach and Oracle Fusion Post Implementation Issues contain private and confidential information, so are provided at Appendix 'B' and included in Part II of the agenda.

**Recommendation**

The Audit, Risk and Governance Committee is asked to consider and comment on the updated Corporate Risk and Opportunity Register.

**Background**

This report provides an updated (Quarter 1 2023/24) Corporate Risk and Opportunity Register for the committee to consider and comment on. The register was refreshed at Quarter 2 (2022/23) to reflect the council's current operating environment and is now presented to committee to provide an update and assurance that the current risk management arrangements are both robust and effective.

In line with the council's Risk Management Framework, the Executive Management Team review the Corporate Risk and Opportunity Register on a quarterly basis, taking account of the current and predicted future internal and external environment in which the county council and its strategic partners operate. The Corporate



Register sets out the 'across the board' risks that could threaten the authority's core business and the way it operates.

Below this are Directorate Registers that are managed by the council's Executive Directors and identify risks that could threaten day to day activities. Where a new directorate risk has a score of 12 or above, it is automatically referred to the Executive Management Team for consideration for inclusion on the Corporate Register. However, the Executive Management Team may decide not to escalate such a risk onto the Corporate Register and ask that it is managed at an operational level. This maybe because the Executive Management Team think that the risk does not threaten the core business of the organisation or that the score has been over inflated (scores are subjective).

This process was discussed at a previous meeting of the Audit, Risk and Governance Committee. Consequently, the committee has asked to be informed of future instances when a risk has been considered by the Executive Management Team but not included on the Corporate Register.

### **Quarter 1 Update - Summary of Key Points**

The risks and opportunities have been updated using information provided through directorate risk registers. The updated register is attached at Appendix 'A'.

#### CORP1 Financial Sustainability

Overall, the council has an appropriate level of reserves available to manage the financial risks it is facing from 2023/24 to 2026/27. However, a significant risk factor is in relation to savings delivery, as the 2023/24 budget will be based on the delivery of circa £80m of new and previously agreed savings.

#### CORP 2 Recruitment and Retention

In terms of Recruitment and Retention the risk scores and RAG rating remain the same. However, once the People Strategy has been agreed and adopted and the new operating model is implemented, improvements should start to filter through in both recruitment and retention. Specific mitigating actions have been put in place in Adult Social Care services with the establishment of a workforce data framework and a Performance Management Board. A Workforce Strategy has been agreed and an in-house provider workforce sub-group established, focused on recruitment and retention

#### CORP 3 Demand on Services

Demand pressure on services continues. Increased Government funding for SEND provides some mitigation but substantial pressure remains. SEND Inspection readiness work continues to strengthen oversight. In terms of children's social care, avoidance of the high-cost homes workstream has been established through the Where Our Children Live project and a strong oversight obtained. Some services are being redesigned and will be reprocured next year with the aim of supporting Adult Social Care to respond effectively to increased demand pressures.

#### CORP 4 Our Improvement Journey

Business planning for 2023/24 was completed by 31 March 2023; following this, development of an integrated performance management approach which brings



together business, financial and performance is being taken forward. This should bring about improved organisational performance, employee retention, improved productivity, and cost advantages through efficiencies. A paper setting out a proposed approach to commercialisation has been approved by the Executive Management Team and will form part of the Strategic Change Delivery Plan on production of an approved business case.

### CORP 5 School Places

To improve school places, officers attend open evenings for the most oversubscribed schools and Year 6 parent information sessions are held in the areas with the most pressure for places. There has been an expansion of popular schools where the number of places available for Year 7 pupils has been increased, as has the availability of places in higher year groups to accommodate in-year admissions. Consultations are taking place in respect of new primary schools and a secondary school in Preston. However, this risk remains a challenge and to inform members of the issues, a recent school place planning (mainstream and SEND) and school transport inquiry day took place in June 2023.

### Opportunities

No new opportunities have been added to the register.

### **New Risks Considered by the Executive Management Team**

The committee has asked to be informed of instances when a risk has been considered by the Executive Management Team but not escalated onto the Corporate Register. For Quarter 1 no such risks were considered. The one additional risk considered relating to Oracle Fusion post-implementation issues has been included on the register and is set out at Appendix 'B'.

### **Appendices**

<b>Appendix</b>	<b>Title</b>
Appendix A	Corporate Risk and Opportunity Register
Appendix B (Part II)	Risk entries for Cyber Security, Oracle Fusion Data Breach, and Oracle Fusion Post Implementation Issues

### **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

**Local Government (Access to Information) Act 1985**  
**List of Background Papers**

N/A

Reason for inclusion in Part II, if appropriate

Appendix 'B' to this report is included in Part II of the agenda because it contains exempt information as defined in Paragraphs 3 and 7 of Part 1 of Schedule 12A to the Local Government Act, 1972:

- Information relating to the financial or business affairs of any particular person (including the authority holding that information)
- Information relating to any action taken or to be taken in connection with the prevention, investigation or prosecution of crime.

