

AUDIT and GOVERNANCE COMMITTEE
March 2024
RISK MANAGEMENT OVERVIEW

Report by Lorna Baxter, Director of Finance

RECOMMENDATION

1. The Committee is RECOMMENDED to
 - To note the Risk Management Update

Executive Summary

1. This report sets out updates to Risk Management and an overview of the latest strategic risk register which contains the Council's most significant risks. The strategic risk register is closely managed by the Council Management Team and reported into the Strategic Leadership Team as part of the Council's Business Management and Monitoring Reports. These combined reports contain performance, risk and finance progress updates against the delivery of the current strategic plan priorities.

Introduction

2. The Oxfordshire County Council Risk Management strategy is the overarching framework of the strategic and operational risks and management process across the council. The strategy is reviewed and updated on an annual basis. This annual review ensures the strategy is linked to the budget and business planning process, the strategic plan and captures any external influence that may impact on the risk management process. The strategy will be submitted for review and approval in September 2024.

3. The current 2022 – 2025 Strategic Plan includes nine priorities, leading positive change by working in partnership to make Oxfordshire a greener, fairer and healthier county.

4. The Performance and Insight team are responsible for the management and reporting of strategic risks and continue to work with services to assess training needs and further embed the risk management process across the organisation.

Key updates

5. Councillor training was held earlier in the year (June 2023) as part of the Audit and Governance Committee. This was held virtually and recorded covering the key role aspects supporting the overarching strategy and linking to the council's strategic priorities.

6. The Strategic Leadership Team have received the six monthly risk workshop during October 2023, this includes a thorough review of all strategic risks ensuring all risks continue to be relevant as a strategic risk, horizon scanning of other risks. The next workshop is due to take place in April of the 24/25 financial year.

7. A number of training sessions have also happened at Directorate Leadership Team (DLT) sessions to review and discuss operational risk, awareness of the escalation process and strategic risks for their service area.

8. The consistent approach of using the operational and strategic risk templates has been embedded more widely and updated templates are available to all on the intranet. These simple templates reflect the Strategic plan priorities to ensure all risks align appropriately to the relevant priority/outcomes.

9. The Performance and Insight team are continually reviewing and developing the reporting system of the strategic risk register within the same IT system that the council uses for performance reporting. This was launched in October 2023, the system is being further developed to enable proactive monitoring and management of the risk actions supporting the mitigation of risks playing out etc.

10. The team are working closely with DLT's to discuss performance and risks and the proactive management of risk actions. Reporting of these areas has been made available in a performance and risk dashboard, also held on the performance system.

11. This progress in reporting has enabled improved proactive reporting and risk management Awareness.

12. The team are responsible for collating and reporting the Business Management and Monitoring report, which includes the three elements, performance, risk and finance. Further risk training is taking place within this team becoming qualified risk practitioners. Following this training, completion of a risk health check will be completed and a thorough action plan will be developed in line with internal audit actions.

Strategic Risk Register

13. The term "Strategic risk" refers to both strategic risks (risks to the Council's strategic objectives) and operational or programme/project risks which have been escalated due to the severity of their likelihood and/or impact. It does not necessarily include risks to the community, which are managed through the Community Risk Register, overseen by the Local Resilience Forum, (of which the Council is a member).

14. The Strategic Risk Register records the risks identified as requiring the most senior management attention. The Strategic Risk Register is reviewed monthly by Council Management Team, and bi-monthly by Strategic Leadership Team, Informal Cabinet, Cabinet and is also an agenda item for chairs of scrutiny committees as part of the Business Management and Monitoring reporting.

15. The high-level overview of the Strategic Risks will be reported publicly as part of the Business Management and Monitoring Report pack which goes to the chairs of overview and scrutiny committees and Cabinet.

16. Strategic Risk Register overview – January 2024

The table below provides an overview of the current strategic risk position. Strategic risks are reviewed monthly as part of the Business management and monitoring process. Risks can be added and escalated at any time during the year.

There are currently 9 strategic risks listed below, the most recent additions are Strategic Risk no.8 Policy & Budget and Strategic Risk no.9 Delivering the Future Together.

Risk Name	Risk Description	31 Jan 2024				Direction of Travel
		Inherent Score	Previous Residual Risk Score	Current Residual Risk Score	Current Residual Risk Rating	
01. Financial Resilience	The council is not financially sustainable in the immediate/medium term.	25	12	12	●	➡
02. Cyber security	A successful and significant Cyber-attack leading to disruption, damage or compromise of any of the council's computer services, information systems, infrastructure or data.	25	15	15	●	➡
03. HIF1&HIF2	HIF1 and HIF2 become undeliverable and/or potential financial risk to the council	16	12	12	●	➡
04. Managing Demand across Adult's and Children's Services	Fluctuating demand of community across Oxfordshire can result in varying requirements in resource.	15	12	12	●	➡
05. Special Educational Needs and Disability (SEND)	Local area SEND partnership inspection outcomes found widespread systemic failure. Delay for children having their SEND needs met. Reputational damage (locally, regionally, and nationally).	25	16	16	▲	➡
06. Oxford Core Schemes	Failure to deliver Oxford Core Schemes (Traffic Filters, Workplace Parking Levy, Zero Emissions Zone and associated city area schemes such as Low Traffic Neighbourhoods) with public support.	20	16	16	▲	➡
07. Strategic Workforce Planning	A risk that the county council's workforce does not have capacity, capability or resilience to deliver key functions, statutory services or transformational changes required to ensure the councils objectives and long-term priorities are met. Further, that the diversity of the workforce satisfies statutory requirements.	16	12	12	●	➡
08. Policy & Budget	Inability to seek agreement in relation to the policy and budget framework from a minority administration.	25	20	20	▲	➡
09. Delivering the Future Together	Failure to deliver organisation wide transformation.	25	16	16	▲	➡

Table 1: Strategic Risk Overview for January 2024. Please note that a strategic risk regarding resilience in the face of climate change will be forthcoming early in 2024.

The team are working with the climate change team regarding a possible escalation of risk regarding resilience in the face of climate change.

Corporate Policies and Priorities

2. The risk management process links to all nine of the strategic priorities. All templates include the link to the strategic priorities to ensure risks are identified with any effect to priorities possibly not being delivered.

Financial Implications

3. There are no significant financial implications from this paper

Comments checked by:

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Legal Implications

4. There are no significant legal implications from this paper

Comments checked by:

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Risk Management

5. There are no significant risk implications from this paper.

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