

From: Graham Gibbens, Cabinet Member for Adult Social Care and Public Health

Andrew Ireland, Corporate Director for Social Care, Health & Wellbeing

To: Adult Social Care & Health Cabinet Committee

11 July 2014

Subject: Risk Management - Strategic Risk Register

Classification: Unrestricted

Past Pathway of Paper: None

Future Pathway of Paper: None

Electoral Division: All

Summary: This paper presents the strategic risks of relevance to the Adult Social Care & Health Cabinet Committee, in addition to the risks featuring on the corporate risk register for which the Corporate Director is the designated 'risk owner'. The paper also explains the management process for review of key risks.

Recommendation(s):

The Cabinet Committee is asked to consider and comment on the risks presented.

1. Introduction

1.1 Directorate business plans (known as Strategic Priorities Statements) were reported to Cabinet Committees in March / April as part of the new business planning process introduced for 2014/15. The Strategic Priorities Statement included a high-level section relating to key directorate risks. These risks are set out in more detail in this paper.

1.2 Risk management is a key element of the Council's Internal Control Framework and the requirement to maintain risk registers ensures that potential risks that may prevent the Authority from achieving its objectives are identified and controlled. The process of developing the registers is therefore important in underpinning business planning, performance management and service procedures. Risks outlined in risk registers are taken into account in the development of the Internal Audit programme for the year.

1.3 Corporate Directors lead or coordinate mitigating actions in conjunction with other Directors across the organisation to manage risks featuring on the Corporate Risk Register. The Corporate Director for Social Care, Health and Wellbeing Directorate is the designated 'Risk Owners' for several corporate risks, which are presented to the Committee for comment in appendix 1.

- 1.4 Directorate risk registers are reported to Cabinet Committees annually, and contain strategic or cross-cutting risks that potentially affect several functions across the Social Care, Health and Wellbeing Directorate, and often have wider potential interdependencies with other services across the Council and external parties.
- 1.5 The risk levels take into account any controls already in place to mitigate the risk. If the current level of risk is deemed unacceptable, a 'target' risk level is set and further mitigating actions introduced with the aim of reducing the risk to a tolerable and realistic level. A matrix is used to rank the scale of risk in terms of likelihood of occurrence and impact
- 1.6 The numeric score in itself is less significant than its importance in enabling categorisation of risks and prioritisation of any management action. Further information on KCC risk management methodologies can be found in the risk management guide on the KNet intranet site.

2. Financial Implications

- 2.1 Many of the strategic risks have financial consequences, which highlight the importance of effective identification, assessment, evaluation and management of risk to ensure optimum value for money.

3. Strategic Priorities and Policy Framework

- 3.1 Risks highlighted in the risk registers relate to strategic priorities of the *Facing the Challenge* KCC transformation agenda, as well as the delivery of statutory responsibilities.
- 3.2 The presentation of risk registers to Cabinet Committees is a requirement of the County Council's Risk Management Policy.

4. Risks relating to the Social Care, Health & Wellbeing Directorate

- 4.1 There are currently 15 strategic risks featured on the Social Care, Health & Wellbeing risk register (appendix 2). The risks reflect the current challenges and the transformation and level of change taking place. All risks have mitigations and planned actions in place to manage them. Many of the risks highlighted on the register are discussed implicitly as part of regular items to Cabinet Committees.
- 4.2 It is likely that the risk profile will continue to evolve during the coming months as KCC's transformation agenda progresses.
- 4.3 Inclusion of risks on this register does not necessarily mean there is a problem. On the contrary, it can give reassurance that they have been properly identified and are being managed proactively.
- 4.4 The risk registers should be regarded as 'living' documents to reflect the dynamic nature of risk management. The Social Care, Health and Wellbeing Directorate Management Team formally reviews their risks, including progress against mitigating actions, on a quarterly basis, although individual risks can be identified and added to the register at any time. In addition to the Directorate wide risk register, risks are also monitored and reviewed at

Divisional Management Meetings and as part of significant Directorate programmes and projects.

5. Recommendation

Recommendation:

The Adult Social Care & Health Cabinet Committee is asked to consider and comment on the strategic and corporate risks outlined in appendices 1 and 2.

Appendices

Appendix 1 – Corporate Risk Register – SCHW Related Risks, June 2014

Appendix 2 – SCHW Risk Register, June 2014

6. Background Documents

6.1 KCC Risk Management Policy on KNet intranet site.

7. Contact details

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