

Appendix 1 – Corporate Risk Register

#	ID	Theme	Corp Plan Link	Risk Description	Risk Consequences	Risk Owner	Existing Key Controls, Sources of Assurance and Key Comments	Impact x Likelihood			Areas for Key Actions and Deadlines
								Previous Nov 2021	March 2022	Target Oct 2022	
1	SR1	Our Finances and Resources	7	<p>Medium Term Financial Resources are insufficient to support achievement of priorities for the Council and the City. Considerable uncertainty over the financial position with a one-year Finance Settlement and inflation predicted to reach 8%. Wider financial / fiscal risks linked to EU Exit and macro-economic factors.</p>	<p>Resources are insufficient and this results in non-achievement of Corporate Plan priorities and the Our Manchester strategy, with consequent negative impacts on Manchester residents.</p> <p>Risk significant budget cuts will be required for 2023/25 which will be difficult and damaging to achieve unless work starts to prepare for this now.</p>	DCE&CT	<p>Budget reports 2022/23 approved and budget set based on settlement. Maintenance of reserves and the availability to support the budget. Engagement and lobbying of national decision makers including direct to Government and via Core Cities and the LGA.</p> <p>Work starting to prepare for 2023/24 budget strategy ready to engage members early in the municipal year.</p> <p>Reporting to SMT; Executive and Resources and Governance Scrutiny Committee.</p>	5x4=20 High	4x4=16 High	4x4=16 High	Ongoing intelligence and lobbying alongside robust future financial planning and budget proposals and savings / income generation options based on prudent assumptions – linked to Future Shape programmes across all aspects of the Council (DCE&CT)
2	SR2	Manchester People	All	<p>As a result of Covid19 and wider macro-economic factors the Economy of the City continues to present a challenge and impacts on the health, wellbeing and economic independence of residents.</p> <p>Further compounded by increased inflation (especially energy prices), national insurance and interest rates in Q1 2022.</p>	<p>As well as the negative impact on the lives of Manchester residents and the vibrancy and success of the City, this will directly impact the Council's financial position regarding loss of business rate and commercial income and lead to increased costs for supporting vulnerable residents.</p> <p>Will impact on the ability to deliver the Our Manchester priorities for the City SUCH AS?</p>	CEX	<p>Signposting business support via City Centre Regen and Work and Skills teams as well as via GMCA, Local Economic Partnership, Chamber of Commerce, Business Growth Hub and other networks.</p> <p>Council leadership with partners to support activity in dealing with the labour market issues, as a result of Covid. Skills & Labour Market workstream focused on implementation of the recommendations.</p> <p>Homelessness strategy and risks / response around Council provision tracked via Homeless Service risk register.</p> <p>Anti poverty strategy and work to support vulnerable residents.</p> <p>Reporting to SMT; Executive; Resources and Governance; and Economy Scrutiny Committee.</p>	4x4=16 High	4x4=16 High	4x3=12 Medium	Review of risk with Finance, City Policy and Directorate of Strategic Development for next review of CRR (June 2022)

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3	SR3	Manchester Places	8	<p>Climate Change: The Council does not produce, or deliver on, a sufficiently ambitious plan to become a zero carbon Council by 2038 or earlier if possible.</p> <p>The Council does not undertake its leadership role effectively for Manchester to become a zero-carbon city by this date, and stay within the science-based budget for the City.</p> <p>The Council does not plan or implement measures effectively to adapt to the impacts of climate change on Manchester in the longer term (e.g. increased risks of extreme weather, flooding and heat)</p> <p>Changes to the Clean Air Zone following the pause may have an adverse impact on the Manchester Economy.</p>	<p>Significant political and reputational damage to the Council for not acting on the climate emergency that has been declared, in terms of our leadership role across the City and our direct emissions in the Council</p> <p>Changes to the CAZ may have an adverse impact on Manchester businesses and residents.</p> <p>Significant longer-term risks to health, society, economic and financial position of the City and the Council if mitigation and adaptation measures are not effective.</p> <p>Costs of required change are significant as is the need for Government funding and leadership and clear strategy and leadership at GM level.</p>	CEX	<p>Climate Change Action Plan 2020-25</p> <p>Governance through Zero Carbon Coordination Group and the CAZ group.</p> <p>Regular reporting to the Executive.</p> <p>Scrutiny Committee established with focus on carbon reduction</p> <p>Very high level of ambition on this agenda will require fundamental changes to how we operate and significant investment across all aspects of the Council, and for many partners in the City. This is impacted by City Wide and Council financial resources and this is reflected in the risk score.</p> <p><u>Reporting</u> to SMT, Executive, Scrutiny Committees and Members sub-group</p>	4x4=16 High	4x4=16 High	4x4=16 High	Plan sets out the key actions and deadlines that need to be delivered including a significant focus on energy use targets and associated actions (CEX)

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4	SR4	Our Partnerships	2	<p>Failure to achieve the desired and intended outcomes of health and social care reform increases further pressure on Council and health budgets; and impacts on the ability to achieve improved health outcomes for Manchester residents. Risk rating reflects the delivery of integration as part of the 'Supercharging of the LCO' alongside the breadth of activity to be delivered in adult social care as part of the new arrangements including delivery of Better Outcomes Better Lives, stabilisation of the care market, new care models, embedding of casework management system and delivery of priorities. Also reflects the volume of work required to ensure that the Manchester system are adequately prepared for the move to the ICS arrangements in July.</p>	<p>Poor outcomes and increased financial pressures result in further diversion of Council resources to reactive care services without addressing root causes and whole system issues.</p> <p>Lack of clear and effective governance increases duplication of effort, impacts on key officers and individuals working across the system and clear accountabilities and responsibilities across partners.</p>	CEX	<p>H&SC workstream established as part of Future Council to track supercharging of the LCO activity. Council and NHS leadership GM ICS and Manchester Place based partnerships well advanced and reported through to SMT and Executive and Scrutiny Committees. Pre-existing health and care partnerships in the City are well established as basis for further reform.</p> <p>Better Outcomes Better Lives programme in place to embedded service change and improvement across Adults Services.</p> <p>Risk managed at SMT level</p> <p><u>Reporting</u> to SMT, Executive, Health and Wellbeing Board and Health Scrutiny Committee. Joint reporting within MLCO governance arrangements.</p>	4x4=16 High	4x4=16 High	4x3=12 Medium	Ongoing engagement at GM and City Wide levels in establishment of Integrated Care partnerships and supporting governance and infrastructure arrangements (DASS)

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5	SR21	Our Performance	All	<p>Cyber Security - a successful cyber-attack on the Councils infrastructure would have significant impact on the availability of all ICT systems over a sustained long-term period.</p> <p>This could impact some or all internally operated services and those consumed by our customers and residents.</p>	<p>Ransomware remains one of the costliest types of cyber-attacks to recover from. The financial cost to recover physical hardware such as servers, laptops and databases would be significant. The cost of data that is lost to encryption is incalculable.</p> <p>Total catastrophic losses of some or all systems resulting in the introduction of manual systems, with no access to historical data and corruption of council backups.</p> <p>Inability to access systems or core data required to deliver critical and essential services to residents, including the most vulnerable.</p>	DCE&CT	<p>Identity management controls including Multi Factor Authentication for cloud accounts, introduction of Intrusion Detection (IDS) on perimeter firewalls, managed host-based protection, and secure build configuration on all end user devices.</p> <p>Monthly vulnerability assessments and ongoing security patch management to all managed devices.</p> <p>Completion of data centre project, implementation of replacement endpoint malware/Anti-Virus solution, stronger password requirements, M365 implemented and end user device programme underway in ICT to refresh desktop estate.</p> <p>Cyber risk management remains a key element in ICT resilience, and this requires both technical and behavioural capability and assurance. This must be reflected in the risk rating.</p> <p>Communications and mandatory training for all staff.</p> <p><u>Reporting to</u> ICT Board, Corporate Information Assurance and Risk Group (CIARG) and SMT.</p>	New	4x4=16 High	5x3=15 High	<p>Strategic Ransomware detection and alerting solution proposed to be sourced to help prevent any large-scale outage and consequential impact to service availability (Dir of ICT July 2022).</p> <p>Corporate and departmental incident / business continuity planning to consider the wider impact of Cyber and how services could continue to be provided without access to ICT systems for a sustained period (Dir of ICT and Head of Audit and Risk June 2022)</p> <p>Continued assurance over completion of cyber security training by staff (ongoing).</p>

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6	SR22	Our Finances and Resources	7	<u>Costs of capital and revenue contracts increasing significantly beyond budget and increases pressure on agreed budgets.</u>	Budgets are insufficient to meet contract costs requiring the diversion of financial resources from other priorities or a reduction in the scope / specification of contracted goods / services. This has an onward impact on the ability to delivery agreed priorities and services.	DCE&CT	<p>Review of contracts by Procurement and Commissioning Team with high focus on gold contracts. Finance and Procurement engagement with key services in reviewing and developing plans to mitigate contract pressures.</p> <p>Reporting to Capital Strategy Board, Commercial Board, SMT, Executive and Scrutiny</p> <p>NB. Risk updated June 2022 in advance of formal review to reflect increased pressure on contract prices on renewal identified by services in conjunction with the Procurement and Commissioning Team and wider inflationary pressures. Assessed as high at this stage but to be subject to further review in July 2022 to assess if risk level remains high given impact of planned mitigations including ongoing and assessment of impacts on other of contracts.</p>	New	4x4=16 High	3x4=12 Medium	<p>Ongoing review of contracts by Corporate Procurement and Commissioning Team with Finance and Services to monitor and escalate risks to Commercial Board and Capital Strategy Group as required (Deputy City Treasurer).</p> <p>Full review of risk July 2022</p>

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7	SR6	Our People	7	<p>Capability and capacity of the workforce is not sufficient or aligned effectively to key priorities and organisational requirements and priorities linked to Covid 19 recovery as well as transformation, change and core business as usual activities. This includes:</p> <ul style="list-style-type: none"> • capacity in core managerial and technical disciplines; • capacity to deliver emerging priority areas across a wide range of services; • capacity to respond to increased levels of complex demand (homelessness, social care support, mental health support etc) • leadership capacity and capability to drive change and transformation; and • workforce motivation and engagement. <p>Capacity is further impacted by emergent issues and priorities arising from Government requirements and the specific needs of communities across the City.</p>	<p>Motivation and engagement of the workforce is reduced (or not developed fully) impacting on the ability to respond to transformation, change and deliver organisational priorities. Appetite for change following Covid is diminished and takes longer to return - impacting organisational ability to adapt and embrace transformation. Skills and capacity do not match stated priorities resulting in underachievement of planned outcomes. Emergent priorities mean that areas of required focus in transformation and delivery of core services cannot be sustained. Stress and welfare impacts on the workforce.</p> <p>Risk reduced from last review reflects step down from covid response but noting that further variants could require city-wide response to be stood up again.</p>	CEX	<p>Corporate plan supported by Our People Strategy and staff engagement including Listening in Action, Our Manchester Experience and regular communications. Peer Review and Action Plan in place includes changes proposed to strengthen capacity and focus in key risk areas. Leadership and wider skills development programmes in place. Directorate business plans, workforce development and Bheard improvement plans being refreshed for April 2022. Prioritisation via SMT, Directorate Management Teams and cross cutting working groups. Future Shape programme in place with external support, governance and reporting to SMT, Executive and relevant Committees and partners; to oversee planning, resourcing, and delivery of key priorities.</p> <p><u>Reporting</u> to SMT, Executive and Scrutiny Committees</p>	4x4=16 High	4x3=12 Medium	4x3=12 Medium	Delivery of Peer Review Action Plan and Future Shape (SMT).
8	SR9	Manchester Places	3	<p>Insufficient mix of available housing means that targets for affordable housing are not met and strategic priorities to ensure the needs of current and future residents of the City are not achieved.</p>	<p>Strain on homelessness as expansion of development continues (Piccadilly etc) and residents are gradually priced out of the market / displaced? Political impact.</p>		<p>Development of schemes including Northern Gateway, Ancoats etc part of the city-wide masterplan.</p> <p><u>Reporting</u> to Housing Board, Executive and Scrutiny Committees.</p>	4x3=12 Medium	4x3=12 Medium	4x3=12 Medium	

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9	SR11	Our Performance	7	Current or proposed ICT systems essential to business operations and legal compliance are not implemented or maintained (due to being out of support or lack inherent resilience) due to limitations in availability of financial and ICT resources.	Failure to realise efficiency benefits using technology impacts on ability to achieve savings targets and refocus effort on core priorities. Technology does not meet business needs around transformation, resilience, or legal / regulatory compliance – impacting on the ability to deliver priorities.	DCE&CT.	Prioritisation process via Directorate ICT Boards, ICT Board and Capital Strategy Board; with oversight from SMT. ICT Infrastructure Investment priorities set out in ICT Strategy and portfolio plan/ Pipeline Senior sponsorship of critical or flagship projects with robust governance; with engagement of key stakeholders including finance, communications, and risk. Positive actions taken to mitigate risk around MS365, data centres and telephony and in end user devices / desktop refresh. Risk remains at medium to reflect scale of current programme and commitments on programmes and projects. <u>Reporting</u> to DMTs, SMT, Executive and Resources and Governance Scrutiny Committee.	4x3=12 Medium	4x3=12 Medium	4x3=12 Medium	Delivery of agreed programme of investment with reporting to SMT, Executive and Scrutiny (DCE&CT with Director of ICT).
10	SR14	Our Finances and Resources	4 5 6	Pressure on financial resources including PWLB constraints and external grant funding results in pressure to reduce the Capital Programme and consequent impacts on development and delivery of major projects.	Partial or non-delivery of existing capital programme commitments with consequent impact on priorities linked to these investments. Impact on the capacity to invest in the future because of reduced financial capacity.	DCE&CT	Review of capital programme as part of budget setting and reporting to Executive and Scrutiny Committees. Active engagement with funders and development partners on schemes to leverage financial contributions Prioritisation in key capital spend areas completed. <u>Reporting</u> to Capital Strategy Board, SMT, Executive and Scrutiny Committees	4x2=8 Medium	4x2=8 Medium	3x2=6 Low	Capital update reports to Executive and R&G Scrutiny (DCE&CT): Ongoing

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11	SR12	Our Partnerships	7	Key suppliers of goods and services fail to develop or deliver required services and market capacity, due to lack of financial resilience or other factors, impacting the onward ability of the Council to secure required services to Manchester residents. A key risk given inflationary pressures, negotiation of UK trade deals and lack of competition in some markets.	Contractor failure (contract or provider) results in the Council having to re-procure services at short notice or deliver services in-house with significant cost and capacity implications that result in budget overspends and required cuts to other services.	DCE& CT	Professional Procurement and Commissioning Teams in place to support services in effective management of procurement lifecycle; including supplier due diligence. Includes Contract and Commissioning Group involving all directorates. Contract management register and risk assessment in place. Bankruptcy / Liquidation Policy to enable consistent response to supplier failure. Enhanced due diligence arrangements developed and Due Diligence working group in place. Risk reduced but maintained at medium due to wider risks of supplier resilience outside of control of the Council. <u>Reporting to:</u> Commercial Board, SMT and Resources and Governance Scrutiny Committee	3x4=12 Medium	3x3=9 Medium	3x3=9 Medium	Programme of commissioner and contract manager training and engagement (DCT): Ongoing
12	SR16	Our Performance	1 2 7	Embedding of new case management system (Liquid Logic, Controcc and EYES) does not have the anticipated impact and fails to deliver the necessary improvements in practice, recording, reporting, management oversight and performance in children and adults services.	Impact on delivery of priorities and quality of services to residents; and delivery of statutory duties. Impact on quality, completeness, integrity of data to support effective decision making.	DCS DAS CT	Focus on system stabilisation and embedding systems and change within services – this is now being embedded as part of business as usual in Children’s Services where the risk has reduced significantly with sustained focus by leadership and management teams and staff embracing adoption of new arrangements. System compliance as well as finance and reporting elements remain a key risk area and ongoing focus, particularly in Adults Services and in Education and this is reflected in the risk score remaining at medium. Work required to build confidence in the use of the system and links to the financial payments process is ongoing with management actions	3x4=12 Medium	3x3=9 Medium	2x3=6 Low	Governance through Directorate management arrangements with senior oversight (Deputy DASS and Deputy DCS). Work ongoing to assure completion of agreed actions to stabilise payments elements of system and new ways of working with Brokerage Team in Adults – DDASS and Finance.

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							and support arrangements in place to address issues arising through implementation. <u>Reporting to</u> ICT Board, SMT and Scrutiny Committees				
13	SR17	Manchester People	1 2	Inability to maintain and demonstrate organisation-wide arrangements to <u>safeguard children and vulnerable adults.</u>	Harm to those most in need with associated impact on families as well as financial and reputational damage to the Council	CEX DCS DASS	Manchester Safeguarding Boards (Adults and Childrens) Statutory roles and assurances through DASS and DCS <u>Reporting to</u> SMT, Scrutiny Committees as well as MHCC and MLCO Boards.	4x2=8 Medium	4x2=8 Medium	4x2=8 Medium	Ongoing (DASS and DCS) Assurances and Action Plan that arise from Children's Ofsted Inspection (DCS timescales tbc).
14	SR21	Our People	7	Against a backdrop of societal impetus for equality and removal of barriers facing BAME communities, the <u>organisational response to the Race Review</u> does not deliver at the pace and scale required to address barriers to workplace equality.	Loss of credibility of leadership and of the Council with BAME workforce and BAME communities across the City. Increased risk of actual or perceived inequality; and of the Council failing to reflect the communities it serves. Failure to capitalise on the diversity of a workforce drawn from a wide range of communities – in terms of ethnicity but also in terms of other protected characteristics.	CEX and CS	Visible leadership of CEX and Deputy Leader Race Review Programme led by led by Director of HR&OD with support and organisational wide engagement of stakeholders in design and delivery of change activities. Active engagement of staff groups and Trades Unions in review process. Oversight of delivery of action plan by City Solicitor, Director of HR&OD and the staff Chair of the Equalities Group. Mandatory leadership training and 'Lets Talk About Race' programmes underway. Launch of 5 th Behaviour puts diversity and inclusion at the heart of all we do. Autumn 2021 Staff Survey – 69% of respondents stated that leadership have made improvements to equality and diversity re race (and similar % on other protected characteristics). <u>Reporting to:</u> Corporate Equality Group, SMT, Deputy Leader and	4x2=8 Medium	4x2=8 Medium	4x1=4 Low	Ongoing delivery of race review action plans: Director of HR&OD with support / oversight of DCE&CT and CS.

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							Executive, Resources and Governance Scrutiny Committee				
15	SR5	Our People	7	<p>The wellbeing, welfare and morale of staff is impacted by a range of factors linked to:</p> <ul style="list-style-type: none"> • legacy and ongoing (albeit reduced) impact of Covid19 • workplace demands on capacity given the ongoing need • concerns linked to the economy and the impact on the Council's budget and future employment • impact of conflict in Ukraine. 	<p>Staff wellbeing results in increased cases of depression, stress or absence and an impact both on remaining colleagues and the ability to deliver priorities.</p> <p>The ability to retain and attract staff for required roles is impacted as the Council is not perceived as an employer of choice.</p>	DCE & CT	<p>Team meetings, 121s and management engagement with staff – includes encouragement of staff to take annual leave.</p> <p>Ongoing regular communications to all staff with links to latest guidance and support, as well as celebration of positive achievements across the Council including AFE.</p> <p>Access to Employee Assistance Programme support.</p> <p>Embedding consistency of approach in working from site / office and ways of working to support team and individual wellbeing – includes new office spaces and new technology to equip teams with tools to work effectively.</p> <p>Risk reduced to low based on current covid position but noting other societal factors linked to inflation, costs of living, interest rates and conflict in Europe.</p> <p>Reporting to SMT, Executive and Scrutiny Committees</p>	4x3=12 Medium	3x2=6 Low	3x2=6 Low	<p>Continued engagement of staff across services in design of operating models for services on site (DCE&CT).</p> <p>Ongoing encouragement of support for positive mental health and the use of annual leave (DCE&CT / Director of HR)</p>

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16	SR13	Legal and Regulatory	7	Information governance arrangements, including behaviours of the workforce, partners and suppliers, are insufficient to prevent serious avoidable data losses , breaches or authorised access to systems or data.	Loss of stakeholder and public confidence. Potential for ICO fines and ability to share data with partners. Impact on individuals with additional costs of remedial actions and potential legal action.	DCE&CT CS	Risk score reviewed and reduced in light of separate cyber security risk. Information Assurance and Risk Group (CIARG) and network of Senior Information risk Officers at Corporate, Departmental and Service Level supported by core IG and ICT security personnel, including Data Protection Officer Established breach reporting processes for ICT security and information incidents. Reporting to: CIARG, ICT and SMT	3x4=12 Medium	3x2=6 Low	3x2=6 Low	Programme of IG awareness with report to CIARG on staff take-up compliance: ongoing (CS).
17	SR19	Manchester People	7	Effects of increases in covid19 infection rates (Coronavirus) impacts ability to deliver priorities and safe services to Manchester residents; whilst also ensuring the safety and wellbeing of staff.	Loss of staffing (due to virus, self-isolation or wider impacts such as reduced transport or school closures) impacts ability to deliver services to residents across the City. Impact on goods and services supply chain if borders, travel and imports impacted Lack of assurance and appropriate risk control measures results in potentially avoidable illness. Contingency planning is unable to cope with unanticipated demands.	CEX, DPH and DN	Risk remains on register at low given increased absence in quarter one 2022 which is impacting ability in some areas to sustain a consistent return to site and resilience of services. <u>Reporting</u> to SMT, Executive and Scrutiny	3x3=9 Medium	2x3=6 Low	2x2=4 Low	For review at next update of CRR to assess if this risk should be removed.