

Appendix 2: Corporate Risk Register (Strategic Risks)

ID	Theme	Corporate Plan Links	Risk Description	Risk Consequences	Risk Owner	Existing Key Controls, Sources of Assurance and Key Comments	Risk (current) Impact x Likelihood	Risk (June 2020) Impact x Likelihood	Areas for Key Actions and Deadlines
1	Our Finances and Resources	7	Planned savings are not achieved resulting in increased pressure on reserves and requirement for unplanned savings and cuts to services to made to achieve a balanced budget.	Savings are not sustainable requiring a fundamental change in organisational expectations and priorities; impacting on the ability to deliver services and achieve original objectives.	DCE and CT	Robust regular process of budget setting and budget monitoring in place with assessment of key financial risks. Budget reports 2020/21 to Scrutiny, Executive and Council March 2020 addressed a number of key risk in the current budget plans. <u>Reporting</u> to DMTs and SMT; Executive and Scrutiny Committees.	4x3=12 Medium	4x3=12 Medium	Budget monitoring Ongoing (DCE&CT)
2	Our Finances and Resources	7	Medium Term Financial Resources are insufficient to support achievement of priorities for the Council and the City. This is based on financial uncertainty post 2020/21 and risks that could arise from Spending Review, Fair Funding Review, Business Rates reset, uncertainty over Shared Prosperity Fund and wider financial / fiscal risks linked to EU Exit and macro-economic factors.	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.	DCE and CT	Budget reports 2020/21 to Scrutiny, Executive and Council March 2020 reflect current levels of risk and scenarios in medium term financial strategy. Maintenance of reserves. Engagement and lobbying of national decisions makers direct and via network groups including Core Cities and the LGA. <u>Reporting</u> to SMT; Executive and Resources and Governance Scrutiny Committee.	4x4=16 High	4x4=16 High	Ongoing intelligence and lobbying alongside robust future financial planning based on prudent assumptions (DCE&CT)
3	Manchester Places	4 (but impacts on all priorities)	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. 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. 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)	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 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. Costs of required change are significant as is the need for Government funding and	CEX	Governance through Zero Carbon Coordination Group Regular reporting to Executive. Additional resources investment in budget 2020/21. 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. <u>Reporting</u> to SMT, Executive, Scrutiny Committees and Members sub-group	4x4 = 16 High	4x4 = 16 High	Production of Climate Change Action Plan 2020-25 for Council and City for agreement March 2020. 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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				leadership and clear strategy and leadership at GM level.					
4	Our Performance	4 7	Consequences and impact of EU Exit impact negatively on a range of budget and other assumptions for the Council, partners and residents of the City. These include impacts on business rates, care and health budgets, airport revenues and welfare budgets; as well as wider impacts on recruitment and retention, economic development, employment, housing and infrastructure projects.	The core budgets of the Council are impacted resulting in requirement to make further cuts and reduce levels of services at a time when the residents of Manchester are also impacted.	CEX	EE Exit Group Head of Policy attendance and feedback from GM EE Exit Group EU Exit Impact Assessment <u>Reporting to Council Resilience Forum and SMT</u>	4x3=12 Medium	4x3=12 Medium	Refresh of EU Exit Impact Assessment by end August 2020 and (DN)
5	Our People	7	Capability of the workforce is not aligned effectively to key priorities and organisational requirements. This includes: <ul style="list-style-type: none"> capacity in core managerial and technical disciplines; leadership capacity and capability to drive change and transformation; and workforce motivation and engagement. 	Motivation and engagement of workforce is reduced (or not developed fully) impacting on the ability to respond to transformation, change and deliver organisational priorities. Skills and capacity do not match stated priorities resulting in underachievement of planned outcomes	CEX	Corporate plan supported by Our People Strategy and staff engagement including Listening in Action, Our Manchester Experience and regular communications. Leadership and wider skills development programmes in place. Directorate business plans, workforce development and Bheard improvement plans. <u>Reporting to SMT, Executive and Resources and Governance Scrutiny</u> Positive assurance from overall Bheard 2019 scores improvement evidence improved levels of motivation and engagement.	4x3=12 Medium	4x3=12 Medium	SMT and SLG development and implementation of Action Plan in response to BHeard 2019. By April 2020 (Led by CEX) Development of OurTransformation programme during 2020 (DCE&CT)
6	Our Partnerships	2	Failure to achieve the desired and intended outcomes of health and social care integration 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 alongside the breadth of activity to be delivered in adult social care as part of the new arrangements including delivery of the improvement plan, stabilisation of the care market, new care models, home care roll out,	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.	CEX	Joint business and budget planning with MHCC and MLCO and active senior leadership engagement in HSC governance with MHCC and MLCO. Risk managed at SMT level Positive response to MHCC and MLCO Governance audit reports 2019 with further steps for development underway. <u>Reporting to SMT, Executive, Health and Wellbeing Board and Health Scrutiny Committee. Joint reporting within MLCO and MHCC governance arrangements.</u>	4x4=16 High	4x4=16 High	Ongoing system wide development led by SMT and partners across health in 2020

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			embedding of casework management system and delivery of priorities.						
7	Manchester People	7	Loss of required access to ICT systems impacts on the ability to operate services and deliver to Manchester residents. This could arise from risks relating to core infrastructure (network and applications), hardware obsolescence (WYSE terminals), system availability (unsupported systems, insufficient licenses) or cyber-attack.	System instability or unavailability requires manual workarounds with impact on efficiency and the integrity / quality of data and information on which to make decisions and ensure service delivery. Data loss or unavailability results in ICO inspection, fines or other actions; including complaints and legal action.	DCE&CT	Corporate and Service Business Continuity Plans and robust incident management process in place. Programme of ICT investment with reporting to ICT Board, Capital Strategy Board, SMT, Executive and Scrutiny. Positive assurance from LGA Cyber Stock Take 2019 Despite improvement in control, risk maintained at medium as a consequence of heightened cyber risk in external environment and pending completion of data centre project. <u>Reporting to</u> ICT Board, Corporate Information Assurance and Risk Group (CIARG) and SMT; and Executive and Resources and Governance Scrutiny Committee	4x4=16 High	4x3=12 Medium	Completion of Mandatory Cyber Security Training for all staff (Director of ICT with all DMTs by end April 2020) Information incidents reporting tool enhancements by end July 2020 (CS on behalf of CIARG) ICT Infrastructure Investment priorities – to be set out in new ICT Strategy and portfolio plan/ Pipeline (by September 2020) (Director of ICT to DCE&CT)
8	Our Partnerships	7	Key suppliers of goods and services fail to develop or deliver required services, 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 post EU Exit 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. Contract management register and risk assessment in place. Bankruptcy / Liquidation Policy to enable consistent response to supplier failure. Enhanced due diligence arrangements developed in 2019/20. 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	Programme of commissioner and contract manager training (CT): Ongoing

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9	Legal and Regulatory	7	Information governance and information technology security 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	Governance through Corporate 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. <u>Reporting to:</u> CIARG, ICT and SMT	3x4=12 Medium	3x3=9 Medium	Programme of IG awareness ongoing (CS) Improved systems with new IG system in place and programme of CIARG activity by July 2020 (CS) MS365 project to support policy change around information governance (Director of ICT)
10	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 through the use of 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 Director ICT Boards, ICT Board and Capital Strategy Board; with oversight from SMT. Senior sponsorship of critical or flagship projects with robust governance; with engagement of key stakeholders including finance, communications and risk. Risk reflects scale current programme and commitments on programmes and projects. <u>Reporting to</u> DMTs, SMT, Executive and Resources and Governance Scrutiny Committee.	4x3=12 Medium	4x3=12 Medium	Regular review and refresh of projects via ICT Board and Capital gateway Process (DCE&CT). ICT Infrastructure Investment priorities – to be set out in new ICT Strategy and portfolio plan/ Pipeline (by September 2020) (Director of ICT to DCE&CT)
11	Manchester People	1 2	Inability to maintain and demonstrate organisation-wide arrangements to safeguard children and vulnerable adults .	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.	4x3=12 Medium	4x2=8 Medium	Delivery of Adults Improvement Plan ongoing (DAS)
12	Our Performance	1	Implementation of new case management system (Liquid Logic and Controcc) does not have the anticipated impact and fails to deliver the necessary improvements in practice, recording, reporting, management oversight and performance.	Impact on delivery of priorities and quality of services to residents; and delivery of statutory duties. Impact on quality, completeness, integrity of	DCS DAS CT	Programme Management for implementation of the new system has full service and corporate support as a Council wide priority. Focus is now on system stabilisation and embedding systems and change	3x4=12 Medium	3x4=12 Medium	Programme governance remains in place with risks, issues and actions overseen by Senior Oversight (DASS, DCS and DCE&CT)

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				data to support effective decision making.		<p>within services – continued area of focus with SMT level oversight.</p> <p>Implementation/change boards led by respective Deputy Directors of Adult Services and Childrens Services.</p> <p><u>Reporting</u> to ICT Board, SMT and Scrutiny Committees</p>			
13	Manchester People	2 7	Effects of COVID-19 (Coronavirus) impacts ability to deliver priorities and safe services to Manchester residents; whilst also ensuring the safety and wellbeing of staff.	<p>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.</p> <p>Impact on goods and services supply chain if borders, travel and imports impacted</p> <p>Lack of assurance and appropriate risk control measures results in potentially avoidable illness. Contingency planning is unable to cope with unanticipated demands.</p>	CEX, DPH and DN	<p>Leadership from Public Health across the Council and wider health and care community led by Director Public Health; with direction and guidance through Public Health England</p> <p>Multi agency command and control arrangements in place across Manchester and wider GM.</p> <p>Council Resilience Forum (CRF) and GM Civil Contingencies Unit supported by core Council services including HR, communications, health and safety and estates.</p> <p>Pandemic Flu and other resilience plans in place with robust multi agency planning and joint working.</p> <p>The level of risk assessment is emergent and remains fluid - this will be subject to regular revision as circumstances develop.</p> <p><u>Reporting</u> to SMT, Executive and Public Health England</p>	4x3 = 12 Medium	4x3 = 12 Medium	Delivery of effective strategic, tactical and operational measures to respond to guidance and emergent risks (SMT and CRF; led by DPH)