

Leadership risk register as at 31 August 2016 (covers rolling 12 months)

Strategic risks – have the potential to significantly disrupt or destroy the organisation

Ref	Risk ref.	Description of the risk	Inherent risk level (no controls)	Processes in place (ie the 'how' risks are being mitigated)	Controls (i.e. decisions needed)	Lead risk owner	Residual risk level (after existing controls)
L1	CSF7 EAI1 FN1 ORB10	Financial outlook Lack of funding, due to constraints in the ability to raise local funding and/or distribution of funding, results in significant adverse long term consequences for services.	High	<ul style="list-style-type: none"> Structured approach to ensuring Government understands the council's Council Tax strategy and high gearing. Targeted focus with Government to secure a greater share of funding for specific demand led pressures (in particular Adult Social Care). Proactive engagement with Government departments to influence Government policy changes (especially relative needs assessment, 100% business rate retention strategy and Better Care Fund). Continued horizon scanning of the financial implications of existing and future Government policy changes. Development of alternative / new sources of funding (e.g. bidding for grants). <p>Notwithstanding actions above, there is a significant risk of Central Government policy changes /austerity measures due to changes in ministerial responsibilities impacting on the council's long term financial resilience.</p>	<ul style="list-style-type: none"> Members make decisions to reduce spending and or generate alternative sources of funding, where necessary, in a timely manner. Officers unable to recommend MTFP unless a credible sustainable budget is proposed. Members proactively take the opportunities to influence central Government. Officers continue to analyse events and create budget scenarios. 	Director of Finance	High
L2	CSF3,4,9	Safeguarding – Children's Services Avoidable failure in Children's Services, through action or inaction, including child sexual exploitation, leads to serious harm, death	High	<ul style="list-style-type: none"> Working within the frameworks established by the Children's Safeguarding Board and the Social Care Services Board ensures the council's policies and procedures are up to date and based on good practice. Adult Social Care and Children, Schools and Families are working as key stakeholders in the 	<ul style="list-style-type: none"> Timely interventions by well recruited, trained, supervised and managed professionals ensures appropriate actions are taken to safeguard and promote the well being of children in Surrey. 	Deputy Chief Executive and Strategic Director of Children's Schools and Families	High

Key to references:

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Page 124		or a major impact on well being.		<p>further development of the Multi-Agency Safeguarding Hub.</p> <ul style="list-style-type: none"> Children's Services Improvement Plan is being delivered to address the improvement notice dated 26 January 2016 and strengthen service and whole system capability and capacity. Ofsted visit on a monthly basis to monitor progress. Assistant Director roles and responsibilities have been reshaped to strengthen leadership and governance. 	<ul style="list-style-type: none"> Actively respond to feedback from regulators. Robust quality assurance and management systems in place to identify and implement any key areas of learning so safeguarding practice can be improved. The Children's Safeguarding board (chaired by an independent person) comprises senior managers from the County Council and other agencies facilitating prompt decision making and ensuring best practice. An Improvement Board (chaired by the Deputy Leader) oversees progress on the Improvement Plan and agrees areas of action as required. 		
	L3 ASC6,7 ,13,14	<p>Safeguarding – Adult Social Care</p> <p>Avoidable failure in Adult Social Care, through action or inaction, leads to serious harm, death or a major impact on wellbeing.</p>	High	<ul style="list-style-type: none"> Working within the framework established by the Surrey Safeguarding Adults Board ensures that the council's policies and procedures are up to date and based on good practice. Adult Social Care and Children, Schools and Families are working as key stakeholders in the further development of the Multi Agency Safeguarding Hub. Established a locality safeguarding advisor to assure quality control. Strong leadership, including close involvement 	<ul style="list-style-type: none"> Continue to work with the Independent Chair of the Surrey Safeguarding Adults Board to ensure feedback and recommendations from case reviews are used to inform learning and social work practice. Actively respond to feedback from regulators. One year on from the implementation of the Care 	Strategic Director of Adult Social Care & Public Health	High

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				by Associate Cabinet Member for Adult Social Care in safeguarding functions.	Act, a new strategic plan for safeguarding within ASC will be implemented.		
L4		Devolution Failure to achieve a 3 Southern Counties (3SC) devolution deal leaves Surrey County Council without a coherent response to the strategic challenges facing the county.	High	<ul style="list-style-type: none"> 3SC internal governance arrangements agreed - including a Strategic Oversight Group which manages 3SC risks (and 3SC risk register developed/approved). Programme office and workstream sponsors and leads agreed with roles and responsibilities defined. Regular meetings of local authority Leaders and Chief Executives. Last Leaders' meeting 11 July 2016. Regular engagement with 3SC partners. Regular engagement with central government at both political and official level. Meeting with senior officials from DCLG and the Treasury taking place on 14 September. Negotiation with Government underway – Heads of Terms sent to officials as basis for negotiations. 	<ul style="list-style-type: none"> Keep all processes under active review. Strategic Oversight Group reviewing risk register quarterly. Next 3SC Leaders meeting on 19 September 2016. 	Chief Executive	Medium

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Cross cutting risks – high level risks that can be mitigated more effectively through cross working.

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L5	ASC1,2,12 C&C4 CSF1,2,	Medium Term Financial Plan (MTFP) 2016-21 Failure to achieve the MTFP, which could be a	High	<ul style="list-style-type: none"> Monthly reporting to Continuous Improvement and Productivity Network and Cabinet on the forecast outturn position is clear about the impacts on future years and enables prompt 	<ul style="list-style-type: none"> Prompt management action taken by Directors / Leadership Teams to identify correcting actions (evidenced) 	Director of Finance	High

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Page 126	7 EAI1,3 FN2 ORB01, 10	<p>result of:</p> <ul style="list-style-type: none"> • Not achieving savings • Additional service demand and/or • Over optimistic funding levels. <p>As a consequence, lowers the council's financial resilience and could lead to adverse long term consequences for services if Members fail to take necessary decisions.</p>		<p>management action (that will be discussed informally with Cabinet).</p> <ul style="list-style-type: none"> • Budget support sessions (Chief Executive and Director of Finance) continue to review and challenge the robustness of MTFP delivery plans and report back to Cabinet as necessary. • Regular meetings of the Public Value Transformation (PVT) Board (Leader of the Council (Chair), Chief Executive and Director of Finance) to ensure savings are being delivered and stakeholders are engaged. • Budget planning discussions held with Cabinet and Scrutiny Boards. • Early conversations are undertaken with all relevant stakeholders to ensure consultations about service changes are effective and completed in a timely manner. • Cross service networking and timely escalation of issues to ensure lawfulness and good governance. 	<p>by robust action plans).</p> <ul style="list-style-type: none"> - Members (Council, Cabinet, Scrutiny Boards) make the necessary decisions to implement action plans in a timely manner. - Members have all the relevant information to make necessary decisions. 		
	L6 ASC2 CSF1,2, 5,6,8 ORB01, 02,07	<p>New ways of working</p> <p>Failure to identify and manage the impacts / consequences of implementing a range of new models of delivery leads to severe service disruption and reputational damage.</p>	High	<ul style="list-style-type: none"> • Shared and aligned strategies to ensure no unintended consequences. • Robust governance arrangements (eg. Inter Authority Agreements, Health and Social Care Integration Board, Health and Wellbeing Board, financial governance framework) in place with early warning mechanisms. • Regular monitoring of progress and risks against work streams. • Effective transition arrangements with continuous stakeholder engagement. • Continuous focus on building and maintaining 	<ul style="list-style-type: none"> - Leadership and managers recognise the importance of building and sustaining good working relationships with key stakeholders and having early discussions if these falter. - Work with Clinical Commissioning Groups on models of integrated care. - Members continue to endorse approaches to integration across the council. 	Chief Executive	Medium

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				strong relationships with partners through regular formal and informal dialogue. <ul style="list-style-type: none"> Close liaison and communication with customers. 			
L7	ASC4, 5,8 CSF5 EAI2,3,4 ORB02,03,08	Organisational resilience Failure to plan for and/or respond effectively to a significant event results in severe and prolonged service disruption and loss of trust in the organisation.	High	<ul style="list-style-type: none"> Developing an employment framework that supports flexibility in service delivery and organisational resilience. Robust governance framework (including codes of conduct, IT security policies, health and safety policies, complaints tracking). External risks are regularly assessed through the Local Resilience Forum and reviewed by the Statutory Responsibilities Network. Active learning by senior leaders from external experiences / incidents informs continual improvement within the council. Close working between key services and the Emergency Management Team to proactively update and communicate business continuity plans and share learning. 	- Regular monitoring of effectiveness of processes is in place and improvements continually made and communicated as a result of learning.	Chief Executive	Medium
L8		Senior Leadership Succession Planning A significant number of senior leaders leave the organisation within a short space of time and cannot be replaced effectively resulting in a reduction in the ability to deliver services to the level required.	Medium	<ul style="list-style-type: none"> Enhance distributed leadership by focus on organisational goals and scorecard for organisational performance. Workforce planning linked to business continuity plans. High Performance Development Programme in place to increase skills, resilience and effectiveness of leaders. Career conversations built into appraisal process looking forward five years Shaping leaders programme. Senior leadership appraisal process 	- Transparent and effective succession plans.	Chief Executive	Low

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				incorporates feedback (shaping leaders) and succession planning into appraisal process.			

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Movement of risks

Ref	Risk	Date added	Inherent risk level when added	Movement in residual risk level		Current residual risk level
L1	Financial outlook	Aug 12	High	Jan 16	↑	High
L2	Safeguarding – Children's Services	May 10	High	Jan 15	↑	High
L3	Safeguarding – Adult Social Care	May 10	High	Jan 15	↑	High
L4	Devolution	Jan 16	High	-	-	Medium
L5	Medium Term Financial Plan	Aug 12	High	-	-	High
L6	New ways of working	Jan 16	High	-	-	Medium
L7	Organisational resilience	May 10	High	Aug 12	↓	Medium
L8	Senior Leadership Succession Planning	Mar 15	Medium	Apr 16	↓	Low

Risks removed from the register in the last 12 months

Risk	Date added	Date removed
<i>National policy development</i>	<i>Feb 13</i>	<i>Jan 16</i>
<i>Waste</i>	<i>May 10</i>	<i>Jan 16</i>
<i>Comprehensive Spending Review 2015</i>	<i>Sept 14</i>	<i>Jan 16</i>
<i>Reputation</i>	<i>Oct 14</i>	<i>Jan 16</i>
<i>Staff resilience</i>	<i>May 10</i>	<i>Jan 16</i>
<i>Information governance</i>	<i>Dec 10</i>	<i>Jan 16</i>
<i>Supply chain / contractor resilience</i>	<i>Jan 14</i>	<i>Jan 16</i>

Leadership level risk assessment criteria

Due to their significance, the risks on the Leadership risk register are assessed on their inherent risk level (no controls) and their residual risk level (after existing controls have been taken into account) by high, medium or low.

Risk level	Financial impact	Reputational impact	Performance impact	Likelihood
	<i>(% of council budget)</i>	<i>(Stakeholder interest)</i>	<i>(Impact on priorities)</i>	
Low	< 1%	Loss of confidence and trust in the council felt by a small group or within a small geographical area	Minor impact or disruption to the achievement of one or more strategic / directorate priorities	Remote / low probability
Medium	1 – 10%	A sustained general loss of confidence and trust in the council within the local community	Moderate impact or disruption to the achievement of one or more strategic / directorate priorities	Possible / medium probability
High	10 – 20%	A major loss of confidence and trust in the council within the local community and wider with national interest	Major impact or disruption to the achievement of one or more strategic / directorate priorities	Almost certain / highly probable