

GMCA Audit Committee

Date: 21 January 2022
Subject: Risk Management Update Report
Report of: Head of Audit and Assurance, GMCA

PURPOSE OF REPORT:

The purpose of this report is to inform Members of the Audit Committee of the risk management activities undertaken since the last Meeting and to present responses to specific questions raised by the Audit Committee around risk.

RECOMMENDATIONS:

Audit Committee is requested to note the report.

CONTACT OFFICERS:

Sarah Horseman, Head of Audit and Assurance - GMCA,
sarah.horseman@greatermanchester-ca.gov.uk

Equalities Impact, Carbon and Sustainability Assessment:

N/A

Risk Management

N/A

Legal Considerations

N/A

Financial Consequences - Capital

N/A

Financial Consequences - Revenue

N/A

Number of attachments included in the report:

BACKGROUND PAPERS: N/A

TRACKING/PROCESS		
Does this report relate to a major strategic decision, as set out in the GMCA Constitution?		No
EXEMPTION FROM CALL IN		
Are there any aspects in this report which means it should be considered to be exempt from call in by the relevant Scrutiny Committee on the grounds of urgency?		No
TfGMC	Overview & Scrutiny Committee	
N/A	N/A	

1 Introduction

This report provides an update on progress with the implementation of the GMCA Risk Management Framework since the last update to the Committee on 30 September 2021.

2 Risk Management Framework Implementation Over the Period

Positive progress has been made as directorates actively develop their own directorate risk registers. As this is being driven through discussion at Management Team meetings, we will secure senior level risk ownership and initiate a culture of regular risk review. For the first time, we are now beginning to see the nature and breadth of risks across our directorates.

Risk workshops continue to be facilitated with support from the Corporate Risk Manager from Transport for Greater Manchester who provides guidance, undertakes regular reviews and shares any common themes between teams. The workshops are providing the opportunity to:

- Encourage people to articulate their own risk context and consider if they may create impacts across other portfolios;
- Help colleagues to think 'corporately' by identifying common themes that may be 'Organisational' in nature;
- Understand how the successful management of their own risks can positively mitigate risks at the organisational and strategic levels; and
- Identify risks requiring cross-directorate collaboration to mitigate.

To date the following workshop discussions have been facilitated,

- Digital (1);
- Environment (x2);
- EWS (1)
- Finance (x2).
- Governance (1);
- Human Resources (x2);
- Police, Crime, Fire and Criminal Justice (x2); and
- Public Sector Reform (x4);

A workshop being planned to update the register for Waste.

The Corporate Risk Manager has also shared a provisional set of risks for consideration by the Governance and Communication directorates. These will be confirmed within the central Corporate Risk Register upon approval.

A summary of progress made in developing the registers was given to the Senior Leadership Team meeting on 6th December where a collective commitment to ensure that risk review becomes an essential action for Management Teams was made. It also served to provide assurance that the emerging themes were fair.

Emerging risk themes

There are a number of common risk types and themes being raised through the risk registers. For example,

- Major GM projects where the risk arising may have significant impact external to the organisation, for example delivery of the full fibre network programme;
- Cyber security;
- Funding for digital inclusion activities;
- Easier access to accurate research and information;
- Information Security; and
- The ability to secure the necessary continuing funding to deliver meaningful change especially when long term funding sources end like European Social Fund.

Where these risks are not already recorded as organisational risks, they will be monitored and if/when appropriate documented as organisational risks.

Emerging links to the Organisational and Strategic Risk Levels

The Risk Workshops are helping directorates understand how to connect the management of their risks to the mitigation risks at higher levels. Going forward this provides a valuable input into risk reporting to the Senior Leadership Team (SLT) and Chief Executive's Management Team (CEMT).

Examples of these connections include:

- Lack of capacity within directorates due to short term COVID absenteeism or where teams judge themselves under resourced, (Org Risks OR1 and OR4);
- The operation of effective governance processes for Committee meetings during a pandemic, (Org Risk OR7);
- Ensuring effective intra-team and cross-directorate influence and communication; (Org Risk OR5);
- Completion of change and re-structuring programmes (Org Risk OR8); and
- Spending the funds and delivering the outputs from external programmes (Org Risk OR9, Strategic Risk SR6).

Next steps:

- Complete directorate risk registers;
- Undertake a calibration exercise to ensure risk assessments are consistent;
- Develop and communicate the governance that will provide regular challenge to the management of directorate risk registers;
- Ensure there are measures and means to demonstrate that actions/ controls are effective.
- Develop the mechanism that builds a culture of sharing good practice in risk management;
- Support directorates in the use of their risk profile to shape their management review and discussion; and
- Through the regular review and update of registers, demonstrate an active management of risks.

Progress with the agreed implementation plan for the Risk Management Framework is shown in Appendix A.

3 GMCA Corporate Risk Register – January 2022

The current GMCA Corporate Risk Register is provided overleaf. This contains:

- GMCA Strategic Risks – these are the risks that could impact the achievement of GMCAs objectives as set out in the Greater Manchester Strategy;
- Escalated Organisational and Directorate Risks – these are risks within the organisation with an inherent risk score of 16 or greater.

The Risk Register was reviewed by the Chief Executive's Management Team (CEMT) in January 2022.

Based on the progress as described in Section 2 above, directorates continue to develop their directorate risk workshops and so the directorate risks will develop, evolve and change as those risk management processes mature within directorates. The escalated risks show below are representative of what is currently contained in the risk registers, work is ongoing with directorates to continually review, challenge and refresh risks.

Strategic Risks (January 2022)

Type	Ref	Risk Title	Description	Cause	Consequence	Owner	Likelihood	Impact	Score	Mitigating Controls	Likelihood	Impact	Score	Trend
National political and economic environment	SR1	Levelling up/ devolution	National politics significantly impact the devolution agenda, funding and powers of GMCA.	National political agenda and priorities differ from GM priorities Poor relationships with central government	Devolved powers are reduced Access to funding is restricted Ability to influence devolution agenda is reduced	Eamonn Boylan, CEO	4	5	20	Stakeholder engagement - particularly building new narrative with Government and new Levelling Up Unit in No.10	3	5	15	↔
	SR3	Brexit	The implications of Britain's future trading relationship with the EU will take time to emerge - with both threats and potential opportunities	New Trading arrangements with EU and other countries post BREXIT	GM strategy (GMS) and GMCA business planning assumptions are impacted. Loss of future funding streams. Impact on future GM business growth.	Simon Nokes, Executive Director Policy & Strategy	5	3	15	Ongoing work to examine the consequences/opportunities) of the new trading relationship with Europe on the GM Economy via the Economic Resilience Group. International Strategy to be refreshed Ongoing Mayoral, Leaders and Chief Officer engagement with Government Departments - about implications on GM economy. Ongoing work with Government on future funding via UKSPF. CRF is a forerunner with GMCA managing the bidding process in GM. UKSPF details to follow in early 2022	5	3	15	↔

Type	Ref	Risk Title	Description	Cause	Consequence	Owner	Likelihood	Impact	Score	Mitigating Controls	Likelihood	Impact	Score	Trend
	SR8	Climate Change and Carbon Reduction	Failure to deliver on GM climate change initiatives within the required timescales with consequent impacts on achieving GM's long term carbon reduction targets.	The scale of the task (to reach the ambitious carbon targets set) is such that there are a number of potential causes of failure: lack of funding; lack of change levers; lack of partner support; lack of sufficient engagement with GM organisations, businesses and citizens; a change in political priorities; failure to successfully lobby national government and global oil, gas and electricity price changes.	Long term climate change risks to population, business and infrastructure. Systemic and complex nature of the issue results in delayed decision making & action. Reputational damage to CA. Risk of disruption from climate protests.	Mark Atherton, Environment Director	4	4	16	1. GM 5 Year Environment Plan (March19) – which includes immediate mitigation and adaptation measures and further innovation measures needed to meet the challenge. 2. Mission based approach being adopted to gain broad cross sectoral support and action. 3. Commitment of funding until March 22 from Retained Business Rates to support initial delivery against the agenda and external funding opportunities to support substantial change initiatives. 4. Media activity and annual Green Summit to share progress, encourage change and demonstrate Mayoral commitment. 5. Engagement with activist groups to share progress and raise awareness of constraints. 6. ELT group established to assist in embedding our response to the climate emergency across all directorates 7. Seeking a levelling up/decarbonisation deal with Government and also promoted GM activity on Low Carbon at COP26	3	3	9	↑

Type	Ref	Risk Title	Description	Cause	Consequence	Owner	Likelihood	Impact	Score	Mitigating Controls	Likelihood	Impact	Score	Trend
GM Operating Environment	SR2	GM operating environment	Failure to develop trust, cohesion and credibility with and between local GM system and partners	Ineffective stakeholder engagement Inability to effectively facilitate effective and transparent decision making across GM	Failure to effectively deliver outcomes of GMS due to lack of collaboration across GM network and partners.	Andrew Lightfoot, Deputy CEO	4	5	20	CEMT engagement with districts and partners ELT Group established Feb 21 "Working better as a GM family" - strengthen the impact and efficiency of GMCA, GMFRS and TfGM and enhancing relationships with other GM organisations.	3	3	9	↔
	SR5	Wider Impact on GMCA and GM District Finances of Covid-19	Covid 19 has had a major impact on the GM economy, population, and public services. In particular LAs have had to put in place measures to support residents and businesses putting at risk funding available for ongoing services as well as future ambitions	Covid 19 crisis and detrimental impact on LA finances plus Business Rates growth for 2021/22. This will significantly impact on CA finances too	1. Significant impact of Covid on demand on services, health of population, business profitability, and place based regeneration/ economic growth in GM 2. Likely deficit on Local Authority collection funds and a reduction in the overall Council Tax base which will reduce income from GMFRS, Mayoral and PCC	Eamonn Boylan	4	5	20	A new Greater Manchester Strategy has been developed based on learning from Covid, the 1 Year Living with Covid Plan and the Independent Inequalities Commission. This sets the direction of actions the GM system needs to take in order to 'recover' and move forward from Covid over the next 3 years (as part of a 10 year Strategy). It outlines joint objectives, commitments and ways of working around a fairer, greener, more prosperous GM in all parts of the conurbation. However the Covid-19 pandemic will continue to have a significant economic impact on GM residents, businesses and public services. Regular financial update reports to GMCA have been provided during the pandemic with a detailed analysis of	4	3	12	↑

Type	Ref	Risk Title	Description	Cause	Consequence	Owner	Likelihood	Impact	Score	Mitigating Controls	Likelihood	Impact	Score	Trend
					precepts in cash terms from 2021/22.					<p>areas affected, an analysis of government financial support and a review of the local impact on resources with agreement for managing financial risk across GMCA and GM Councils. Where appropriate this has been reflected in the approved budgets for 2021/22.</p> <p>GM Treasurers continue to meet fortnightly. A quarterly report providing an update on activity and system developments in support of the implementation of the Living with Covid Resilience Plan.</p>				
	SR6	GMS does not deliver desired outcomes for GM	Outcomes defined within GMS are less achievable given COVID	Social, behavioural and financial impacts of COVID affect the timescales of delivery of GMS outcomes	GMS does not meet the changed needs of GM now or in the future.	Simon Nokes, Executive Director Policy & Strategy	4	5	20	GMS has been refreshed, as a 10 year strategy, to reflect learning from Covid, IIC etc with a strong focus on the system wide actions needed to achieve a greener, fairer, more prosperous GM in all parts of the conurbation. This includes 3 year commitments, targets and ways of working, with some neighbourhood floor targets. It will be monitored by a cross agency/sector Delivery Support Group to ensure the GM system as a whole is delivering the changes needed to achieve GM's social, economic and environmental aspirations.	2	4	8	↔

Type	Ref	Risk Title	Description	Cause	Consequence	Owner	Likelihood	Impact	Score	Mitigating Controls	Likelihood	Impact	Score	Trend
	SR7	Transport - Metrolink	Significant loss of transport revenue due to Covid-19 and reduced patronage levels.	Patronage fails to reach pre-pandemic levels as people continue to work from home longer term.	Shortfall for 2021/22 estimated at £37m. Funding will not be available for a renewals programme.	Steve Wilson, Treasurer	4	4	16	Department for Transport (DfT) funding has mitigated impact of revenue losses with funding confirmed to March 2022. TfGM has been developing a recovery plan for Metrolink, as part of supporting the development of the future funding strategy and to support the discussions with government on ongoing funding for Metrolink. TfGM performed a review of the cashflow projections and reserves. It is concluded that the risk in the short term is manageable in the context of the mitigations and the reserves balance held	4	4	16	↔
	SR9	Greater Manchester Police - governance, leadership and performance	Failure of leadership and/or governance to ensure that the force provides the desired level of service to GM residents and communities	Inadequate governance, leadership and control within GMP	The service provided to victims of crime is inadequate. The service provided to GM residents and communities by GMP is not at the desired level Resources are not used effectively and efficiently to achieve the	Clare Monaghan - Director of Police, Crime, Fire and Criminal Justice.	4	5	20	New Chief Constable (CC) joined May 2021. CC has developed an Implementation Plan. This includes (but is not limited to) the development of a new performance management and outcomes framework, development of a Strategic Delivery Plan as well as reviews of processes, structures and systems.	4	5	20	↔

Type	Ref	Risk Title	Description	Cause	Consequence	Owner	Likelihood	Impact	Score	Mitigating Controls	Likelihood	Impact	Score	Trend
					strategic objectives of GMP.									

Escalated Risks (January 2022)

Risk level	Type	Ref	Risk Title	Description	Cause	Consequence	Owner	Likelihood	Impact	Score	Treatment	Mitigating Controls	Likelihood	Impact	Score
Organisational	Operational	OR1	Covid-19 reduces staff availability through absence, sickness, self-isolation.	Increased risk of staff absence in GMCA/GMFRS due to Covid-19 and/or caring responsibilities due to ongoing lockdown restrictions.	Increased levels of sickness across the organisation due to contracting the Covid-19, self isolating and/or mental health and stress	GMFRS: Inability to deliver statutory functions (GMFRS), potential impact on fire cover GMCA: Inability to delivery core services and progress desired outcomes	DCFO, Leon Parkes (GMFRS) SLT (GMCA)	4	5	20	Treat	GMFRS: Key policies and processes in place to support operational resilience, staff and signpost to EAP Programmes: Regular and timely communication messages to all staff providing updates on key messages - internally and externally on. Guidance provided to Line Manager regarding supporting colleagues during this period. Degradation Policy COVID-19 Strategy & Response Plan Overtime Arrangements (agreed with FBU) Manager's Handbook Inc. Cleaning Procedures	2	4	8

Risk level	Type	Ref	Risk Title	Description	Cause	Consequence	Owner	Likelihood	Impact	Score	Treatment	Mitigating Controls	Likelihood	Impact	Score
Organisational	People	OR4	Staff Mental and Physical Wellbeing	Prolonged lockdown restrictions and altered working arrangements may affect staff health, wellbeing and morale.	Lockdown restrictions and increased isolation.	<p>Childcare & home schooling are meaning staff are worrying about not getting their work done and also not providing the right support for their family.</p> <p>Physical and mental health negatively impacted due to extended home working and isolated working.</p> <p>Increased levels of sickness due to mental health and stress.</p> <p>Prolonged absence from the work environment affect staff development and learning and induction of new staff.</p>	SLT, GMFRS ET	4	4	16	Treat	<p>Tootal Building and GMFRS HQ remain open for the most vulnerable staff and those unable to work from home.</p> <p>~ Wellbeing initiatives and resources available for staff - OH support available as required for further support ~ Weekly online briefings from the Mayor, Chief Executive and SLT Members</p> <p>GMFRS - Health and Wellbeing team undertake range of initiatives to support employee mental health and well-being. This capability has been enhanced as a result of the covid crisis. Reasons for absence are monitored and tracked. General and specific wellbeing support is in place across the service</p>	2	3	6

Risk level	Type	Ref	Risk Title	Description	Cause	Consequence	Owner	Likelihood	Impact	Score	Treatment	Mitigating Controls	Likelihood	Impact	Score
Organisational	Financial	OR9	Funding and grants not spent in line with timescales / conditions	Capital programme: Regeneration, infrastructure and investment funding (Growth Deal, Transport Grant etc.) awarded to GMCA is not spent in line with spending profile and this impacts future year financial awards. Grant Funding: Funding not spent in time/ in line with grant conditions	Delays in progressing schemes/activities due to Covid-19 and challenging economic conditions..	<p>Failure to deliver the capital programme and delays in delivery of schemes by districts and TfGM could result in reductions to future funding allocations and increased risk of clawback.</p> <p>Impact on the ability to secure value for money and achievable outcomes set out in the GMS.</p> <p>Underspend of grant funding</p> <p>Lack of confidence from key partners and funders could impact future funding awards</p>	SLT	4	5	20	Treat	Performance reporting and oversight by SLT	3	3	9

Risk level	Type	Ref	Risk Title	Description	Cause	Consequence	Owner	Likelihood	Impact	Score	Treatment	Mitigating Controls	Likelihood	Impact	Score
Organisational	Governance, policy, leadership	OR10	Data Protection Act 2018 compliance	Failure to comply with the requirements of the Data Protection Act 2018 (Inc. GDPR).	<p>Arrangements are insufficiently developed in GMCA to meet obligations placed upon the organisation by Information legislation. Inclusive of Data Protection and transparency laws. Including expected organisational standards in respect of information management and governance.</p> <p>New ways of working increase the risk of failing to comply with GDPR requirements Roll out of innovative technology to support new ways of working not properly assessed and no information management strategy in place to manage this.</p>	<p>Breach of information security through data loss or increased risk of Public Sector susceptibility to cyber crime including phishing attempts, hacking and denial of service attempts from external parties.</p> <p>There is an inability to demonstrate GDPR compliance and ensure effective information management and governance arrangements could result in:</p> <ul style="list-style-type: none"> • Breaches of legislation • Judicial review • Litigation • Claims • Reduced transparency and visibility of information and data • Reputational damage arising from breaches • Loss of public Trust • Inability to secure data sharing agreements with partners / Government. • Detrimental impact on GM wide programmes of work 	Phillipa Nazari, Data Protection Officer	4	5	20	Treat	GMCA Information Governance Board and Serious Information Governance Incident Panel chaired by SIRO. Mandatory IG training for all staff	3	4	12

Risk level	Type	Ref	Risk Title	Description	Cause	Consequence	Owner	Likelihood	Impact	Score	Treatment	Mitigating Controls	Likelihood	Impact	Score
Organisational	Operational	OR11	Unexpected, major or catastrophic events	Events that cannot be predicted that have a wide ranging impact on core services (eg Power Failures, natural disasters_	Events such as power failures, natural disasters, utility supply disruption	Impact on core services such as ICT services or other services that impact ongoing service provision for GMCA and the organisations it provides ICT services for.	SLT	3	5	15	Treat	Business Continuity Management arrangements in place.	3	2	6

Risk level	Type	Ref	Risk Title	Description	Cause	Consequence	Owner	Likelihood	Impact	Score	Treatment	Mitigating Controls	Likelihood	Impact	Score
Organisational	Operational	OR12	Information Security	Organisational arrangements are insufficient to deter, detect and prevent unauthorised access to ICT systems and to respond effectively as and when breaches do occur.	<p>Loss of skilled and trained staff to lead on IS security resulting in insufficient focus on risks, identification of issues and outdated policies.</p> <p>Lack of a comprehensive and clear view of ICT security risks and the means of keeping this up to date.</p> <p>Lack of access to an effective ICT security alerting mechanism similar to CareCERT capability in the NHS.</p> <p>Regular requests to to rapidly stand up new digital capabilities at whole organisation scale e.g. to support remote working.</p>	<p>Inability to deliver statutory, legal, workforce, financial and blue light services.</p> <p>Potential loss/misuse of information or data, ICT downtime and costs of remediation.</p> <p>Reputational damage.</p> <p>Financial costs of full ICT recovery if needed (est. over £10M).</p> <p>Partner and wider public confidence could be impacted should security issues arise.</p> <p>Ability to pool/share data with third parties could be impacted if the GMCA cannot demonstrate compliance with requirements of the Public Service Network or other security accreditation.</p>	Phil Swan, Director of Digital	4	5	20	Treat	<p>1. Governance created to support the strategic direction of ICT/Digital and, separately, IG to improve cyber security.</p> <p>2. Further investment being made in technology to secure the network and enable secure multi-agency working, plan in development.</p> <p>3. Investment in tools to scan the infrastructure to ensure that vulnerabilities are identified and addressed.</p> <p>4. Support provided through mandatory IS training online (LMS) and information on the GMCA intranet. Training on information security is monitored and tracked through SMT.</p> <p>5. Additional ICT security features are available but will require organisational engagement and they will change practices. Proposals for further tightening security progressing.</p> <p>6. ICT security responsibilities being clarified through re-assignment of Deputy CIO responsibilities, and honoria relating to the unfilled ICT Security Lead role which GMCA has been unable to recruit despite multiple attempts as grading is too low.</p>	3	5	15

Risk level	Type	Ref	Risk Title	Description	Cause	Consequence	Owner	Likelihood	Impact	Score	Treatment	Mitigating Controls	Likelihood	Impact	Score
Directorate – Place	Environmental	DIR-PLA-02	Delivery of projects to meet net zero targets.	Failure to achieve publicly stated strategic environmental targets.	<p>1. Requirement for consensus between several different stakeholders in both policy and delivery capability.</p> <p>2. Delivery within existing planning regulations within the economic / social / environmental infrastructure.</p> <p>3. Ambitious expectations to cover between 30 - 50,000 homes by 2030.</p> <p>4. Funding limitations.</p> <p>5. Ability to influence stakeholders needing to adopt a net zero approach.</p>	<p>1. Reputational damage with major GM stakeholders.</p> <p>2. Housing market (assets) remain a net contributor to climate change.</p> <p>3. National political / administrative sanction.</p>	Steven Fyfe – Head of Housing Strategy	4	5	20	Treat	<p>1. Managed programmes of activity with an agreed performance framework.</p> <p>2. Regular collaboration with the other GMCA directorates + external agencies with key role to play in delivering net zero outcomes e.g. TfGM.</p>	3	5	15

Risk level	Type	Ref	Risk Title	Description	Cause	Consequence	Owner	Likelihood	Impact	Score	Treatment	Mitigating Controls	Likelihood	Impact	Score
Directorate - Place	People	DIR-PLA-03	Places for everyone resource capacity	Inability to efficiently process and deliver major actions for Places for Everyone.	1. Lack of internal capacity and dependence on limited district resource to which there is limited control. 2. Volume of consultation responses. 3. Concern over ability to progress policy changes	1. Log jams in administration and delays; 2. Key information and policy issues unresolved; 3. Unprepared for the examination in public; and 4. Failure of districts to be granted funding if they do not have a government sponsored plan in place for example with brownfield land fund.	Anne Morgan – Head of Planning Strategy	4	4	16	Treat	1. Clear understanding of EiP process and the activities needed for it to be a success married to an agreed Resource Plan agreed by CA and by District partners. Also, consideration of the different volumes of consultation responses that are possible. 2. Regular performance review and catchups with key stakeholders. 3. Policy review engagements with internal and external stakeholders to ensure CA is agile and can adapt to dynamic policy changes.	4	4	16
Directorate	Environme	DIR-ENV-20	Green Homes Grant	Unable to deliver in timescales	Unsuccessful collaboration with partners and failure to deliver projects	Failure to meet 5YE targets and secure future funding	Mark Atherton Director, Environment	5	4	20		To be confirmed – in progress	5	4	20
Directorate	Environme	DIR-ENV-28	Consequences of waste Feasibility Study	Cost implications to districts to deliver England's waste strategy			Mark Atherton Director, Environment	5	5	25		Regular update calls	5	3	15

Risk level	Type	Ref	Risk Title	Description	Cause	Consequence	Owner	Likelihood	Impact	Score	Treatment	Mitigating Controls	Likelihood	Impact	Score
Directorate - EWS	Social	DIR-EWS-01	Covid 19 - Delivery of Work & Skills Externally Funded Programmes supporting GM Residents	<p>Work & Skills Directorate currently manage in excess of £200m of external funding that support GM Residents to improve their skills and progress into employment, which include AEB and Working Well programmes.</p> <p>The national and local restrictions in place in relation to Covid-19 have a major impact on how Work and Skills contract continue to be delivered in GM.</p> <p>Potential financial instability of the providers base in GM.</p>	<p>Lockdown and further local restriction have meant that work and skills provider delivering contracts in GM are unable to deliver the face to face provision to GM residents that are key element of their contracts.</p> <p>Most contracts are delivered on a PBR basis therefore providers ability to draw down funding could be seriously impacted upon, thus creating some financial instability, particularly for smaller providers.</p>	<p>Those GM residents in most need may be unable to access support at time when many require additional support in developing transferable skills to support them in the labour market or support addressing health or other related barriers into employment.</p> <p>GM would not have a provider base that was strong enough to respond to demand, at a time of greater need to support GM residents and businesses who have been hit by immediate impact, as well as longer-term implications for the local economy.</p>	Mat Ainsworth Director, Work and Skills,	4	5	20	Treat	<p>A covid contingency plan to support Greater Manchester Work & Skills Programme was agreed in March 20.</p> <p>Maybe a need for further consideration Providers have tasked with developing alternative methods of delivery during this period to ensure that those in need, could access the services and these are review as part of the ongoing contract management.</p> <p>Robust contract management processes are in place, along with open book contract management.</p> <p>Working closely with DWP and other government department to align our approach to contract management during the pandemic</p> <p>Working with finance/procurement colleagues in the use of Company Watch - a due diligence system designed to assess the financial standing of companies.</p>	3	5	15

Directorate - EWS	National political and economic environment	DIR-EWS-02	Skills Bill - legislative changes linked to Skills for Jobs White Paper and impact on devolved skills functions via AEB	The Skills for Jobs further education reform White Paper introduced new employer-led local skills planning functions which will be placed on a statutory footing, meaning that colleges and training providers will be legally obliged to respond to these new Local Skills Improvement Plans (LSIPs) which has potential to disrupt/undermine the exercise of the CA's devolved skills functions.	Two areas of concern in the legislation: 1) There is no requirement on the employer representative bodies (ERBs) that will be leading the Local Skills Improvement Plans (LSIPs) to consult with GMCA or the LAs in relation to the geographic footprint of the LSIP or strategic priorities for the area identified. The Secretary of State will have the power to designate/remove designation for ERBs without consultation with GMCA and, whilst MCA agreement to the proposed LSIP would assist SoS approval, DfE has ruled out rejecting proposals that are not supported/actively opposed by MCAs.. 2) The SoS will also be given new powers to establish a register of approved training	1. If ERBs focus on particular elements of employers' skills needs without taking account of the wider skills and employment 'supply chain' in its entirety, colleges and training providers will be obliged to respond to those plans, potentially leaving some areas of need unmet, particularly at lower skills levels. 2. Despite GM being a well-recognised functional economic area, there is no guarantee that new LSIP proposals will follow the GM footprint. This would impact the coherence of the GM-wide approach to the labour market and could introduce real complexity in terms of both GM's labour market strategy and associated AEB funding policy, and operational delivery. 3. If required to commission education and training from providers on a national register, it both undermines GMCA's ability to exercise devolved functions (which include a range of statutory obligations) as it sees fit and could impact the responsiveness of the provider base. Given GMCA's robust due diligence in developing our flexible procurement system, a	4	4	16	Treat	1. Work with Legal colleagues to review draft legislation, assess risk from both legal and policy perspective and develop proposals for amendments. 2. Work with Public Affairs colleagues to identify ideal outcome, tactics for securing potential amendments to the draft legislation, and identifying influencers (political and sector) who might support our approach. 3. Work collectively with MCAs to develop a collective M10 position, as well as other organisations which have an interest in achieving a more collaborative/consultative approach within the legislation.	3	4	12
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Risk level	Type	Ref	Risk Title	Description	Cause	Consequence	Owner	Likelihood	Impact	Score	Treatment	Mitigating Controls	Likelihood	Impact	Score
					providers; funding authorities, including MCAs, would be prohibited from contracting with non-approved providers outside of that national register.	national register might also impact the quality and stability of the providers with whom we can contract.									
Directorate - Finance	Financial	DIR-FIN-01	Treasury management	Difficulty in delivering a financially beneficial strategy that secures the best possible returns from investing CA cash.	<ol style="list-style-type: none"> 1. Current low interest rates for short term cash investment 2. Insufficient skill and capacity within GMCA compounded by loss of continuity from staff changes in MCC 3. Medium term plan to borrow for the capital programme with the potential of an increase in borrowing costs over the medium term 4. Further changes in Prudential Code of Practice to restrict borrowing 	<ol style="list-style-type: none"> 1. Fail to deliver sufficient positive cash generation to support the revenue budget. 2. Higher borrowing costs in future years. 3. Gap in capacity and skill to manage short term and longer term cash position 	Rachel Rosewell, Deputy Treasurer	4	4	16	Treat	<ol style="list-style-type: none"> 1. Develop of Capital and Treasury Management team in the new Finance structure and plan to bring TM activities into GMCA from MCC by 1st April 2022 2. Ongoing review of the capital strategy to revise the funding of the long term capital programme 3. Regular updates from external professional services (Link) to understand the market and predictions to inform TM strategy 	2	4	8

Risk level	Type	Ref	Risk Title	Description	Cause	Consequence	Owner	Likelihood	Impact	Score	Treatment	Mitigating Controls	Likelihood	Impact	Score
Directorate	People	DIR-HR-05	Talent management	Ability to ensure the potential and capability withing existing staff is nurtured and helps to address internal skills needs.	<p>1. Lack of a comprehensive or regularly updated record of the skills and experience possessed by existing staff.</p> <p>2. Talent management Strategy / Plan not connected to and up to date resource needs analysis.</p> <p>3. Short rather than a longer term approach to planning.</p>	<p>1. Required to recruit externally to fill internal gaps.</p> <p>2. Dissatisfaction from ambitions (and potentially capable) internal staff.</p> <p>3. Staff leave the organisation quicker that desired.</p>	Mallicka Mandal, Assistant Director, HROD	4	4	16	Treat	<p>1. Development, implementation and regular review of a Talent and Succession Strategy / Plan.</p> <p>2. Collaboration with directorates to maintain and up to date record of skills and capabilities.</p> <p>3. Develop connection Talent Management Strategy / Plan and the contemporary resource needs of the organisation.</p>	3	4	12

APPENDIX A – RISK MANAGEMENT FRAMEWORK IMPLEMENTATION PLAN

In order to effectively embed this risk management framework within GMCA there need to be a number of actions that initially take place to raise awareness and understanding of risk management but in the longer term to ensure GMCAs culture around risk management continues to evolve and mature so that it is an efficient and effective process within the organisation.

This implementation plan sets out the short-, medium- and long-term action needed to implement the framework.

Activity	Responsibility	Original Timescale	Status
1. Develop the Risk Management Framework			
a) Define the risk management framework	HoAA	October 2020	Complete
b) Obtain SLT buy-in and support for the risk framework	HoAA	November 2020	Complete
c) CEMT approval of framework	HoAA	Prior to 13 November 2020	Complete
d) Audit Committee review and comment	HoAA	20 November 2020 (papers by 13 November)	Complete
a) Draft Terms of Reference for Risk Management Maturity audit	HoAA	October 2020	Complete
b) Approve Terms of Reference	SLT	November 2020	Complete
c) Undertake Internal Audit	Internal Audit	November – December 2020	Complete
d) Report results to SLT	Internal Audit	January 2021	Complete
a) Develop training and awareness materials	Risk resource	Q1 2021/22	Q4 2021/22
b) Develop internal communications launching the risk framework	HoAA / Internal Comms	Q1 2021/22	In Progress
c) Launch risk management framework	CEMT	Q1 2021/22	Complete
d) Roll out training and awareness activities	Risk resource	Q1 2021/22	Q4 2021/22

2. Corporate Risk Register			
a) Quarterly update of [existing] Corporate Risk Register	SLT/CEMT	November 2020	Complete
b) Quarterly review of Corporate Risk Register	Audit Committee	20 November 2020	Complete
c) Move Corporate Risk Register to new risk management framework	SLT/CEMT/Internal Audit	March 2021	Complete
d) Audit Committee review of revised Corporate Risk Register	Audit Committee	April 2021	Complete
e) Ongoing review of strategic and escalated risks as part of BAU for SLT and CEMT	SLT / CEMT	April 2021 onwards	Ongoing
3. Develop risk registers			
a) SLT Risk workshop	Risk resource	February 2021	Complete
b) Directorate risk workshops	Risk resource	Q1/2 2021/22	In Progress
c) Develop directorate risk registers	Directorates / Risk resource	Q1/2 2021/22	In Progress
d) Ongoing review of risks as part of BAU for all directorates	Directorates / Risk resource	Q2 2021/22 onwards	In Progress