

## **REPORT TO AUDIT AND GOVERNANCE COMMITTEE**

Date of Meeting: 29th November 2023

Report of: Director Finance

Title: REVIEW OF CORPORATE RISK REGISTER

### **Is this a Key Decision?**

No

### **Is this an Executive or Council Function?**

Risk management is a Council function.

Risk Management is an important element of the council's Code of Corporate Governance.

Regular monitoring of the council's corporate risks helps to ensure that the council's business is conducted in accordance with the law and proper standards, that public money is safeguarded and properly accounted for and used economically, efficiently and effectively.

#### **1. What is the report about?**

- 1.1 The report was presented to the Executive on 28 November which advised the committee of the council's risk management progress and presents the revised Corporate Risk Register (Appendix A), which has been linked to the Council's Strategic Priorities.

#### **2. Recommendation:**

- 2.1 That the Audit & Governance Committee notes the report on the Corporate Risk Register once a quarter and comment on the new process in place to manage risk.

#### **3. Reasons for the recommendation:**

- 3.1 To ensure that the risks associated with meeting the Council's strategic priorities are properly considered, managed and monitored.

#### **4. What are the resource implications including non-financial resources**

- 4.1 The Executive and, Directors and Senior Managers, as appropriate, are asked to review the Corporate Risk Register on a quarterly basis. The register is reviewed quarterly by the Strategic Management Board.
- 4.2 Any actions agreed to mitigate the risks identified in the Corporate Risk Register may result in some resource implication. These would be subject to a specific report and the resource implications would be considered in that report.

## 5. Section 151 Officer comments:

5.1 The risk register has been reviewed by SMB and Portfolio Holders and reflects the current position.

## 6. What are the legal aspects?

6.1 Risk Management is an essential management tool in order to manage, assess and prioritise risks. Members will note the content of this report and the attached updated Corporate Risk register which identifies risk to the Council.

## 7. Monitoring Officer's comments:

7.1 The Corporate Risk Register (CRR) sets out the "across the board" risks that could threaten the Authority's core business and the way it operates. Risk management is an important aspect of our organisation's corporate governance responsibilities enabling the application of appropriate control measures as necessary to manage and minimise emerging risks.

## 8. Report details:

8.1 In light of a review of the council's approach to risk management, the Corporate Risk Register (Appendix A) has been revised following a workshop facilitated by the Council's insurers, Zurich. The risks identified in the revised Corporate Risk Register link to the Council's Strategic Priorities. As part of the Council's Improvement Programme, the Strategic Management Board has reviewed the council's approach to risk and propose that the Corporate Risk Register should be presented to Executive to provide assurance that the appropriate mitigations are in place. As stated above, the council's Audit & Governance Committee will continue to have a role in ensuring that the council has a robust process in place for identifying and mitigating risks.

8.2 Each risk is assessed against the following matrix, assessing the likelihood and impact before and after mitigation.

|              |   |          |   |    |    |
|--------------|---|----------|---|----|----|
| Likelihood ↑ | 4 | 4        | 8 | 12 | 16 |
|              | 3 | 3        | 6 | 9  | 12 |
|              | 2 | 2        | 4 | 6  | 8  |
|              | 1 | 1        | 2 | 3  | 4  |
|              |   | 1        | 2 | 3  | 4  |
|              |   | Impact → |   |    |    |

8.3 The Risk Register will include a new summary page, which will enable Members to see the scope of the corporate risks in one straightforward table.

8.4 Alongside each risk on the summary page, there is a table, which sets out an assessment of the resources required to manage the risks under the themes of Time, Financial, People and Assets. This will allow for an assessment of the

resources required to mitigate each risk to an acceptable level allowing members to determine if the resources required are deliverable and achievable.

8.5 In addition, the summary page will include an assessment of how the risks will affect a range of drivers. The drivers are set out below and look at the impact of failing to deliver the corporate priorities and failure in each of the four pillars.

|           |           |              |            |       |            |           |
|-----------|-----------|--------------|------------|-------|------------|-----------|
| Political | Financial | Reputational | Regulatory | Legal | Compliance | Community |
|-----------|-----------|--------------|------------|-------|------------|-----------|

8.6 The two tables above use Very high, High, Medium, Low and Very Low to assess the resources required and the risk drivers.

8.7 The Final Column will assess the Council's risk appetite, whether it is open to risk, more cautious or even risk averse.

8.8 At the last Audit & Governance Committee, Members asked SMB to consider whether it was necessary to include a risk around Civil Emergencies. SMB considered this and have requested a paper on Business Continuity and Civil Emergency response prior to determining whether it is necessary to include this on the Corporate Risk Register.

## **9. How does the decision contribute to the Council's Corporate Plan?**

9.1 Good governance contributes to the Council's purpose of a "Well Run Council".

## **10. What risks are there and how can they be reduced?**

N/A

## **11. Equality Act 2010 (The Act)**

11.1 Under the Act's Public Sector Equalities Duty, decision makers are required to consider the need to:

- eliminate discrimination, harassment, victimisation and any other prohibited conduct;
- advance equality by encouraging participation, removing disadvantage, taking account of disabilities and meeting people's needs; and
- foster good relations between people by tackling prejudice and promoting understanding.

11.2 In order to comply with the general duty authorities must assess the impact on equality of decisions, policies and practices. These duties do not prevent the authority from reducing services where necessary, but they offer a way of developing proposals that consider the impacts on all members of the community.

11.3 In making decisions the authority must take into account the potential impact of that decision in relation to age, disability, race/ethnicity (includes Gypsies and Travellers), sex and gender, gender identity, religion and belief, sexual orientation, pregnant women and

new and breastfeeding mothers, marriage and civil partnership status in coming to a decision.

11.4 In recommending this proposal no potential impact has been identified on people with protected characteristics as determined by the Act because: because

11.4.1 The report is for information only

11.4.2 Actions to mitigate the risks identified in the Corporate Risk Register may result in some future impact, however, any actions proposed would be subject to a specific report and the impacts would be considered in that report.

## **12. Carbon Footprint (Environmental) Implications:**

12.1.1 No direct carbon/environmental impacts arising from the recommendations.

12.1.2 Actions to mitigate the risks identified in the Corporate Risk Register may result in some future impact, however, any actions proposed would be subject to a specific report and the impacts would be considered in that report

## **13. Are there any other options?**

N/A

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## **Local Government (Access to Information) Act 1972 (as amended)**

Background papers used in compiling this report:-

None

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