

REPORT TO AUDIT AND GOVERNANCE COMMITTEE

Date of Meeting: 29 SEPTEMBER 2021

Report of: Chief Executive & Growth Director

Title: 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 advises the committee of the council's risk management progress and presents the updated Corporate Risk Register (Appendix A).

2. Recommendations:

- 2.1 That the committee reviews and notes Corporate Risk Register

3. Reasons for the recommendation:

- 3.1 To comply with the council's Risk Management Policy which states that this committee is responsible for monitoring and reviewing the Council's risks and reporting all new and updated risks to the Chief Executive and Growth Director.

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

- 4.1 Directors and Senior Managers, as appropriate, are asked to update the Corporate Risk Register on a quarterly basis. The register is reviewed regularly by the Chief Executive and Growth Director, the Strategic Management Board and the Health and Safety Board. This process is currently facilitated by Internal Audit.

5. Section 151 Officer comments:

- 5.1 The key financial risks facing the Council are addressed in this report. In particular, Members should note the extension of the risk to the wider capital programme. This has the potential to be significant financially. In the short term, it is likely that there will be some revisions to the programme to transfer funding between schemes. Members may also need to be aware that schemes are at risk of delay owing to factors outside of the Council's control. Members should also note the mitigations in place and review their effectiveness.

6. What are the legal aspects?

- 6.1 None identified

7. Monitoring Officer's comments:

- 7.1 It is essential that the corporate risk as identified in the risk register is carefully monitored and where possible, measures are put in place to reduce/mitigate the identified risk as will help the Council achieves its identified goals and priorities.

8. Report details:

- 8.1 The Corporate Risk Register (Appendix A) has been reviewed and updated by members of SMB as follows:

- 8.2 Lack of leadership capacity to effectively deliver additional Council objectives and priorities (*risk ref 3*)

Risk was changed from high to low in July. This is as a result of a number of interventions including, early engagement with the challenge of MTFP, identifying a clear strategy to address priorities to ensure balance of efficiencies, reductions and growth to support achievement of corporate goals. – it is proposed that as this risk has been mitigated to low risk that it is removed from the register for review by Audit & Governance.

- 8.3 Inability to deliver carbon neutral operations for Exeter City Council by 2022 (*risk ref 8*)

SMB have agreed that this risk is removed from the register as unachievable and it would appear that the only resolution actually agreed by members is that: "Exeter City Council commit to their operations becoming carbon neutral ahead of the 2030 date and mobilise resource to develop internal plans to deliver the target."

The expectation is that the team, when in post, will be looking to set out a plan for delivery of a net zero Council.

- 8.4 Increased cost of all capital building projects (*risk ref 9*)

This risk previously specifically related to St Sidwells Point, however, it is proposed that this risk is now expanded to cover all capital building projects as it is felt that this better reflects the risk to the Council. As has been widely reported, cost inflation has grown significantly in construction. In addition to the specific challenges facing St Sidwell's Point and the Bus Station, this pressure is applying to the wider capital programme, particularly, but not limited to, the £37 million condition survey programme. As the financial impact is potentially significant, the risk previously reported in respect of St Sidwell's Point is being expanded to include the whole capital programme.

- 8.5 An update on each risk can be found in the notes column of the Corporate Risk Register (Appendix A)

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

- 9.1 This decision helps to ensure the delivery of the council's purpose 'Well Run Council'.

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

- 10.1 Any risks should be captured in either this document or the operational risk register.

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:

11.4.1 The report does not set policy.

12. Carbon Footprint (Environmental) Implications:

12.1 Not applicable

13. Are there any other options?

13.1 Not applicable.

Chief Executive and Growth Director

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

Background papers used in compiling this report:-

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