

REPORT TO AUDIT AND GOVERNANCE

Date of Meeting: 25TH September 2024

Report of: Strategic Director of Corporate Resources

Title: Review of the 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 Audit and Governance Committee is responsible for:

- i) considering the Corporate Risk Register and recommending its approval to Executive
- ii) monitoring effectiveness of risk management throughout the Council and progress made against the Corporate Risk Register actions.

1.2 This report advises the Audit and Governance 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. Recommendations:

2.1 That the Audit and Governance Committee:

- considers the council's Corporate Risk Register (Appendix A) and recommends its approval to Executive
- notes the revised Corporate Risk Policy (Appendix C) which has been approved by Executive.

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, Strategic Directors and Heads of Service, 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 SMB and the Executive have produced the register based on Council's Strategic Priorities. A summary page (Appendix B) has been added setting out the level of intervention required and the impact of failing to address the risk. The risk in relation to finance has been updated to reflect the fact that a balanced budget has been set for 2024-25. This does not mitigate the longer term associated risks but carries the risk forward.

6. What are the legal aspects?

6.1 Risk Management is an essential management tool to manage, assess and prioritise risks. Members will note the content of this report and the updated Corporate Risk Register at Appendix A which identifies risks identified. By identifying risks, they can be understood and managed proactively.

7. Monitoring Officer's comments:

7.1 There is no specific regulatory requirement to keep a risk register. However, it is a standard way to monitor and assess risk. The risk register identifies the overall risks to the Council in order that this can be understood and managed proactively, optimising success by identifying and addressing risks.

8. Report details:

8.1 In response to a review of the Corporate Risk Register by the Council's insurers, Zurich, the Strategic Management Board agreed that the Corporate Risk Register should be presented to Executive to provide assurance that the appropriate mitigations are in place. 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 includes a summary document (Appendix B), which enables Members to see the scope of the corporate risks in one straightforward table. This table is presented below for ease of reference.

Corporate Plan Alignment Area	Risk Description	Risk Scoring		
		Inherent	Residual	Target Date
Net Zero Carbon City	Delivering against the key challenges in the Net Zero Carbon City section of the Corporate Plan	16	16	Apr-30
Healthy and Active City	Making progress towards a Healthy and Active City	12	6	Mar- 2025
Leading a Well-run Council	Adapting the council workforce to ensure appropriate skills and experience (Developing a future proof workforce)	9	6	Sep-25
Leading a Well-run Council	Maintaining the Financial Sustainability of the Council	16	8	Feb-25
Leading a Well-run Council	Maintaining the Council's Property and Infrastructure Assets	16	12	Feb-26
Housing and Building Great Neighbourhoods	Delivering Housing and Building Great Neighbourhoods and Communities	16	16	On going
Thriving Culture and Heritage	Maintaining a thriving Culture and Heritage sector	9	2	Oct 24
Prosperous Local Economy	Delivering against the key challenges in the 'Prosperous Local Economy' section of the Corporate Plan.	12	9	Mar 25
Leading a Well-run Council	Progressing the design and delivery of a corporate Customer and Digital Strategy	16	8	Mar-26

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 includes an assessment of how the risks will affect a range of drivers.

8.6 The two tables 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. These two tables help to inform the final risk scores presented in the register.

Updated Risk Management Policy

8.8 The council's Risk Management Policy has been updated to reflect changes to the new council structure and reporting arrangements. In accordance with Paragraph 5 of the Financial Regulations, the Risk Management Policy has been agreed by Executive Committee. The Risk Management Policy can be found at Appendix C.

Further development of the Corporate Risk Register

8.9 In response to feedback from Members, the format of the Corporate Risk Register has been reviewed to improve accessibility. Members should now be able to easily view the document on a monitor.

8.10 Over the next three months, the Corporate Risk Register will be reviewed by the Strategic Management Board, with support from the council's insurers Zurich. The purpose of the review will be to ensure that the Corporate Risk Register contains risks that could impact on the achievement of the council's strategic priorities and that these risks are articulated effectively and that controls are in place. Strategic Directors will ensure that Portfolio Holders are involved in this work.

8.11 In addition, training and support will be provided to officers and Members to help build resilience and ensure that emerging as well as existing strategic risks are kept under close review.

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?

10.1 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 the report is for information only.

12. Carbon Footprint (Environmental) Implications:

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

12.2 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?

13.1 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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