Report to Audit Committee

Wednesday 12 July 2023
By the Director of Resources
INFORMATION REPORT

Not Exempt

Risk Management ~ Quarterly Report

Executive Summary

This report includes an update on the Corporate Risk Register for consideration and provides an update on progress with the quarterly departmental risk register reviews.

Recommendations

That the Committee is recommended to:

i)   Note the contents of this report.

Reasons for Recommendations

As part of good governance, it is important that Members understand the key risks facing the Council.

Background Papers

Corporate Risk Register

Wards affected: All.

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Background Information

1 Introduction and Background

1.1 The Audit Committee is charged with responsibility for monitoring the effectiveness of the Council's risk management arrangements.

1.2 The report provides details of key changes to the Council's Corporate Risk Register, and an update on progress regarding the departmental risk registers (see Section 3 below).

2 Relevant Council Policy

2.1 The Council's Risk Management Policy is detailed in the Council's Risk Management Toolkit. The Council's Risk Management Strategy is a component part of the Policy, and this document sets out to achieve the following objectives:

- Fully integrate risk management into the culture of the Council and its strategic and service planning processes.

- Ensure that the risk management framework is understood and that ownership and accountability for managing risks is clearly assigned.

- Ensure the benefits of risk management are realised through maximising opportunities and minimising threats.

- Ensure consistency throughout the Council in the management of risk.

3 Details

3.1 The Senior Leadership Team has reviewed the Corporate Risk Register and comments have been updated to reflect the current position for each risk (see Appendix 1).

3.2 The Corporate risk profile is shown in the following heat map which shows the total number of risks in each segment. The red / amber / green zones are in accordance with the Council's risk appetite.

	CRR02 CRR03 CRR06 CRR34 CRR37	CRR18 CRR19		
		CRR01c CRR05	CRR01b CRR38	CRR17

3.3 There are five risks which are currently considered to be high and seven medium. The high-risk areas relate to the following:

CRR01b	Funding from Government is less generous than assumed in the Medium-Term Financial Strategy (MTFS) from 2025.
CRR17	The Housing Benefit Subsidy claim may be qualified and/or financial losses.
CRR38	Inability to recruit and retain officers in key service areas, especially Legal, Building Control, Tech, but across the Council, leading to failure to achieve agreed business objectives.
CRR18	A malicious attacker exploits a known or unknown security weakness to penetrate the Council's ICT systems. IT not working due to environmental and economic problems: fire, flood, power cut and issues with the supply chain preventing new infrastructure arriving in a timely manner.
CRR19	Rapidly rising costs from inflation together with ongoing lower levels of income from fees in some areas, and other cost pressures such as increased homelessness; and increased housing benefit claims.

3.4 The risk register in Appendix 1 provides full details of all risks on the "live" register together with details of the control actions and responsible officers.

3.5 There have been one change in the risk register. The high risk for CRR37 on the requirement to adopt an up-to-date Local Plan by end 2023 in accordance with government requirements has moved to medium risk.

3.5 All 19 Departmental risk registers have been reviewed and updated.

4 Outcome of consultations

4.1 Officers who are responsible for control actions and the Senior Leadership Team have been consulted in updating the Corporate Risk Register.

5 Other courses of action considered but rejected

5.1 Not applicable.

6 Resource consequences

6.1 There are no financial or staffing consequences as this report is for noting.

7 Legal considerations and implications

7.1 There are no legal consequences as this report is for noting.

8 Risk assessment

8.1 The report provides an update on the Council's corporate risks and how these are being managed by the Senior Leadership Team. See Appendix 1 for the latest version of the Council's Corporate Risk Register.

9 Procurement implications

9.1 There are no procurement implications arising from this report as this report is for noting.

10. Equalities and human rights implications / public sector equality duty

10.1 There are no implications under equalities and human rights nor the public sector equality duty as this report is for noting.

11 Environmental implications

11.1 There are no environmental implications as this report is for noting.

12 Other considerations

12.1 There are no consequences arising from GDPR / Data Protection or crime and disorder as this report is for noting.

12.2 CRR03 could be added to Pentana so that it features as an ongoing control action in future iterations of the CRR