

Report to Audit Committee



Date 27 March 2024

By the Director of Resources

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).

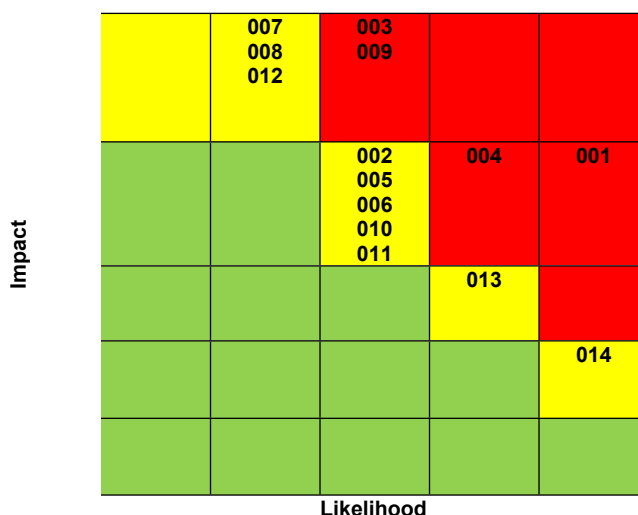
2 Relevant Council Policy

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.



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

001	The Benefit Subsidy claim may be qualified and/or financial losses.
003	Lower levels of income in fees and Government funding, with increased inflationary costs and costs from higher levels of homelessness and housing benefit claims, making balancing the 2025/26 budget more difficult.
004	Funding from Government is less generous than assumed in the MTFS from 2026.
009	Adopting an up-to-date Local Plan by end of 2025. Adverse outcome of Kilnwood Vale inquiry re access to SNOWs / Local Plan delivery.

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 Since the last publication of the following risks have been scored differently, falling from red to high amber:

- 002 recruitment and retention has decreased to a medium risk, as three Heads of Service posts have been filled and the actions being undertaken to retain and train staff are maintaining the Council’s level of vacancies at a stable and manageable level currently.
- 011 A malicious attacker exploits a known or unknown security weakness to penetrate the Council’s ICT systems is being managed through heightened awareness training, accreditation checks, improving controls and back-up processes, patching and updates.
- 012 The Council is found to have failed to fulfil its obligations under the Act in the event of a civil emergency has also been rescored and fallen from medium to low. Actions have been taken to improve plans and train and test key staff sufficiently to mitigate the risk to a lower likelihood.

3.6 Since the last publication of the following risk has risen from amber to red:

- Adopting an up-to-date Local Plan by end of 2025. This risk reduced when the Local Plan progressed to Regulation 19 but the position taken by Natural England, which prevents new development taking place that is not water neutral is being challenged by developers through the Kilnwood Vale Inquiry. The risk has increased because if there is an adverse outcome it allows speculative development access to SNOWs, which in turn impacts Local Plan delivery.

3.7 All 17 departmental risk registers have been reviewed and updated.

3.8 There have been two additional risks added to the corporate risk register.

- Climate change: Climate change is leading to increasing annual rainfall, but in more intense rain events. Warmer annual average temperatures including peaks of excessive heat in the summer. This is beginning to have impacts on the Council's service provision and residents.
- Elections: Challenging processes and requirements during the general election

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.