

TEWKESBURY BOROUGH COUNCIL

Report to:	Audit and Governance Committee
Date of Meeting:	16 December 2020
Subject:	Corporate Risk Register
Report of:	Head of Corporate Services
Corporate Lead:	Chief Executive
Lead Member:	Lead Member for Corporate Governance
Number of Appendices:	One

Executive Summary:

The Council has a risk management framework and this is set out in the risk management strategy approved by Executive Committee on 16 January 2019. Risk management is an intrinsic element of good, effective management and should not be seen as a 'bolt on'. The strategy sets out the risk management approach around the identification, analysis, prioritisation and management of risk. A key element of the strategy is capturing key corporate risks through a Corporate Risk Register. This register is presented at each Audit and Governance Committee though reporting in 2020 was deferred as a result of the Council's response to COVID-19.

Recommendation:

To CONSIDER the risks contained within the Corporate Risk Register and assurance that the risks are being effectively managed.

Reasons for Recommendation:

Risk management is an integral part of the Council's overall governance framework. It is within the Terms of Reference of the Audit and Governance Committee to gain assurance that key risks are effectively managed.

Resource Implications:

None arising directly from this report.

Legal Implications:

None arising directly from this report.

Risk Management Implications:

If the Council does not have in place a Corporate Risk Register then it cannot demonstrate that corporate risks are formally considered, scored and managed.

Performance Management Follow-up:

The Corporate Risk Register is considered at each Audit and Governance Committee and prior to this by Corporate Management Team.

Environmental Implications:

None.

1.0 INTRODUCTION/BACKGROUND

1.1 The Council's risk management strategy formalises its risk management arrangements and sets out the risk management approach around the identification, analysis, prioritisation and management of risk. A key element of the strategy is the maintenance of a Corporate Risk Register that captures the Council's key corporate risks. The register is a high level document to record in a proportionate manner the key risks facing the Council, their risk score and high level management controls that are in place to manage individual risks. The scoring matrix within the strategy provides guidance on scoring those risks.

2.0 CORPORATE RISK REGISTER

2.1 The register is a useful tool to demonstrate in a concise manner that corporate risks are being considered and managed. The headings within the register and the scoring of risk are all detailed within the risk management strategy. Succinctly, the scoring is based around three stages:

- Gross risk score (the inherent risk without any mitigating controls in place).
- Current risk score (the assessed risk after the application of controls).
- Target risk score (proposed risk score by applying future controls, if the current risk score is deemed to be too high).

2.2 The format of the register is one which is commonly used throughout local government. There is no statutory requirement to have a register in place but it is seen as good practice. It also helps the Audit and Governance Committee fulfil its risk management responsibilities. Internal audit would normally support the Audit and Governance Committee in gaining assurance that the risks are being effectively managed. Days are allocated within the Internal Audit Work Plan to review the register and give assurance to the committee around such things as:

- Is the register complete? Are there any risks missing?
- The controls detailed in the register – are they actually in place and working effectively?
- Future actions – is there assurance they will be implemented within appropriate timescales?

As recently reported to Audit and Governance Committee, the internal audit team has been re-deployed to the Council's response to COVID-19 and its work plan has been suspended since April 2020. Therefore, at present, independent assurance cannot be given on the effectiveness of mitigating controls.

2.3 The risk register template includes a ‘comments’ box below each risk. This provides opportunity for each risk owner to provide an update on the status of that risk. For example, if the risk score has been downgraded as a result of effective control action being implemented or, alternatively, if the risk score has increased. An increase could happen through a number of scenarios, for example if an internal audit concluded that a mitigating control is not effective.

2.4 The risk register is presented at Corporate Management Team on a monthly basis and further reviewed by the Corporate Governance Group; this group is chaired by the Borough Solicitor. The risk register can be found in Appendix 1.

3.0 KEY UPDATES ON THE REGISTER

3.1 Summarised below are key actions arising since the register was last presented at Committee:

Risk identified	Key action arising
Ref 1 & 2. Financial sustainability.	The risk has been reviewed and the current risk score increased to reflect the uncertainty around local government financing compounded with the impact of COVID-19 on the Council’s finances.
Ref 3. Cyber Security.	Since the last update, a considerable amount of work has been undertaken including training, implementation of a new firewall and an assessment is currently being undertaken on cyber security arrangements against best practice standard ISO27001 as well as developing a cyber security incident response plan.
Ref 6. Emergency Planning.	The test exercise planned for 2019/20 has been superseded by the real life COVID-19 pandemic which has tested our response to emergency planning. As reported previously, a ‘lessons learned’ exercise will be undertaken at some point. An identified risk is that of a concurrent event, particularly as the borough is prone to flooding. The emergency planning team are looking at this as a priority, for example how to implement a virtual control room, setting up a COVID-19 secure rest centre and generally how such an emergency would be resourced.
Ref 7. Waste Service.	A decision must be made by the end of this financial year on the extension of the Ubico contract. This is currently being discussed by the Depot Services Working Group. Given the contract value and service profile any decision would need to be formally approved by Members.

Ref 12. Brexit.	The impact of Brexit is creating uncertainty. In recent weeks, the Gloucestershire Local Resilience Forum have stepped up preparations and what the impact may look like within Gloucestershire. At district level each Council is also compiling their own risk assessment.
Ref 13. Garden Town.	Since the last update, there has been additional recruitment to the team. Additional capacity funding has also been applied for and this decision is awaited.
Ref 15. Delivery of priorities.	A new risk has been added to the register to recognise the impact of COVID-19 response and recovery work on the delivery of Council priorities.

4.0 OTHER OPTIONS CONSIDERED

4.1 None.

5.0 CONSULTATION

5.1 None.

6.0 RELEVANT COUNCIL POLICIES/STRATEGIES

6.1 Risk Management Strategy.

7.0 RELEVANT GOVERNMENT POLICIES

7.1 None.

8.0 RESOURCE IMPLICATIONS (Human/Property)

8.1 None.

9.0 SUSTAINABILITY IMPLICATIONS (Social/Community Safety/Cultural/ Economic/ Environment)

9.1 None.

10.0 IMPACT UPON (Value For Money/Equalities/E-Government/Human Rights/Health And Safety)

10.1 Mitigation of risk will help the Council achieve its objectives.

11.0 RELATED DECISIONS AND ANY OTHER RELEVANT FACTS

11.1 None.

Background Papers: None

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Appendices: Appendix 1 – Corporate Risk Register