

# TEWKESBURY BOROUGH COUNCIL

<b>Report to:</b>	Audit and Governance Committee
<b>Date of Meeting:</b>	15 September 2021
<b>Subject:</b>	Corporate Risk Register
<b>Report of:</b>	Head of Corporate Services
<b>Corporate Lead:</b>	Chief Executive
<b>Lead Member:</b>	Lead Member for Corporate Governance
<b>Number of Appendices:</b>	1

## **Executive Summary:**

The Council has a risk management framework and this is set out in the Council's approved risk management strategy. 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. The latest register can be found at Appendix 1.

## **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 the Council's 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. The latest register can be found at Appendix 1.

**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).

It should be noted that the main focus should be on the risk description and the mitigating controls rather than to challenge the risk scores as these are only indicative. It is the assurance on the management of the controls which is important.

**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 is seen as good practice. It also helps the Audit and Governance Committee fulfil its risk management responsibilities. Internal audit 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 reported to Audit and Governance Committee over the course of the last year, the Internal Audit team has been re-deployed to the Council's response to COVID-19 and their work plan has been suspended since April 2020. Therefore, at present independent assurance cannot be given on the effectiveness of mitigating controls. On a positive note, one of the Internal Audit team returned to internal audit in July 2021.

- 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 regular basis and further reviewed by the Corporate Governance Group; this group is chaired by the Borough Solicitor.

### **3.0 KEY UPDATES ON THE REGISTER**

- 3.1** Summarised below are key updates arising since the register was last presented at Committee. The register was last considered by the committee on 21 July 2021 so given the time period some risks have no further update.

<b>Risk identified</b>	<b>Key update arising</b>
Ref 7. – Waste Service	It is proposed to remove the risk around the effectiveness of the waste contract. A five year extension to the Ubico contract was agreed at the beginning of the year. Over the last couple of years, there have been significant improvements to contract governance. Additionally, internal client monitoring arrangements have been bolstered over the last six months with the appointment of two new contract officers.
Ref 14. - Ashchurch Bridge Project	The project completion date of March 2022 is due to be formally amended, with Homes England, to September 2023.
Ref 15. – COVID-19 recovery	Our ‘return to work’ workstream has been implemented successfully – this is based on a phased return of staff whilst ensuring any face to face service delivery can be maintained. Moving forward a balanced approach between home working and office working is the goal. With regards to our ‘high street recovery’ workstream the Welcome Back Fund (£86k) action plan has been approved. The corporate COVID-19 recovery plan is in the process of being refreshed, as is the Council Plan and these strategic documents will first be considered to Executive Committee on 2 September 2021 then onto Council.
Ref 17. – National Driver Shortage (new risk)	The national driver shortage has been well documented in the media. This has the potential to impact upon our waste collection rounds though there is a plan in place which protects the high risk residual and food collection services.

Ref 18. – Waste transfer station (new risk)	Wingmoor Farm is the subject of a planning variation to enable them to continue operating as our waste transfer station for our residual waste. There is no viable alternative within a sensible geographic area and the only alternative would be to direct deliver our waste to Javelin Park. This could result in the council needing to put new rounds on and purchase new vehicles and employ more staff. .
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**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 (August 2021)