

TEWKESBURY BOROUGH COUNCIL

Report to:	Audit and Governance Committee
Date of Meeting:	24 March 2022
Subject:	Corporate Risk Register
Report of:	Head of Corporate Services
Corporate Lead:	Chief Executive
Lead Member:	Lead Member for Corporate Governance
Number of Appendices:	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 it is seen as good practice. It also helps the Audit and Governance Committee fulfil its risk management responsibilities. Internal audit supports 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?

Once the Internal Audit team is fully operational following the impact of COVID-19, it will resume the audit of these risks as part of its work programme.

- 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 on 15 December 2021.

Risk identified	Key update arising
Ref 1. – Financial sustainability	The government’s Spending Review (SR) provided little clarity on the future of the Council’s funding streams. Accurate medium term financial planning therefore remains problematic.
Ref 3. – ICT network security	Given recent national and local incidents, cyber security remains a key area of work. Recruitment to the newly created cyber role is a particular focus, cyber security awareness training continues, obtaining Cyber Essentials accreditation, and ongoing security infrastructure work.
Ref 5. - General Data Protection Regulation (GDPR)	Online training has been rolled out to staff, with over 70 staff completing to date. This will shortly be rolled out to Members. Within the 2022/23 budget setting, a new Information Governance Officer post was approved to take responsibility not only for GDPR but wider information security work.
Ref 6. – Emergency planning	As discussed at the previous Audit and Governance Committee meeting it is proposed to remove this risk from the register. Whilst emergency planning incidents will remain a risk, the Council can demonstrate that arrangements to manage this risk are effective.
Ref 9. – Asset management	The planning application in relation to the installation of a solar carport in the rear car park will be considered at Planning Committee on 15 March 2022.
Ref 15. – Climate Change	The new Carbon Reduction Programme Officer commenced on 22 February 2022.
Ref. 17 – Waste transfer station	Grundon gained planning permission in January 2022. As at the date of writing, the contract with Gloucestershire County Council has not been renewed. This remains a risk to the Council and contingency plans are currently being worked on to enable the Council to direct deliver its waste beyond July 2022.

3.2 At the previous Audit and Governance Committee held on 15 December 2021, when reviewing the risk register, a Member of the Committee questioned if two further potential risks warranted inclusion. These were in relation to the Development Management improvement plan and the lack of a five year land supply. These were duly considered by the relevant Head of Service and discussed further by Management Team. It was agreed they did not need to be included on the following basis:

- Planning improvement plan – Whilst there is a potential risk that the project may not deliver the outcomes intended, there is a comprehensive project plan in place divided across various workstreams to mitigate this risk. At present there is also adequate resource deployed to the project and progress in delivery is monitored by the Transform Working Group as well as regular reporting to the relevant Lead Member.
- Five year land supply - It is acknowledged that the lack of a five-year land supply is a risk to the Council; however, it is not considered a risk to be included within the Council's high level risk register as the issues surrounding planning applications are dealt with on their individual merits. Once the Local Plan is adopted the Council will have a five-year housing land supply - adoption is expected to be in spring 2022.

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 (February 2022)