



Governance Scrutiny Group

Thursday, 28 September 2023

Risk Management Progress Report

Report of the Director – Finance and Corporate Services

1. Purpose of report

1.1. This report provides an update on risk activity since the last meeting on 23 February 2023. It provides a summary of risks in the Council's Risk Registers that have changed, been removed or new risks that have been identified as a result of management review throughout the period.

1.2 The contents of this report have not been considered by any other committee.

2. Recommendation

It is RECOMMENDED that Governance Scrutiny Group:

- a) scrutinises the content of this report; and
- b) considers and makes recommendations on risks that have red alert status.

3. Reasons for Recommendation

3.1. To provide Governance Scrutiny Group the opportunity to discuss risk activity and make recommendations on risk management, mitigation and financial impacts.

4. Supporting Information

4.1. Risk Management Activity

Since the last meeting of this Group, the Council's Risk Management Group (RMG) met on 12 September 2023, in order to review risks on the register and to make recommendations.

4.2. Risk Management Audit

A risk management audit was carried out in June/July 2022 by BDO, our Internal Auditors. Risk Management Level of Assurance was given a Substantial rating for Design and Operational Effectiveness. Three recommendations were made:

Medium

- Articulation of the risk and mitigating controls

Low

- Risk Management Strategy – requires guidance to staff
- Format of risk reports – some information in Pentana not replicated in reports.

4.3. Risk Management Training

Zurich provided training on 28 September 2023 for members of Governance Scrutiny Group. Refresher training will be arranged for risk managers in 2024 with Zurich.

4.4. Risk Management Strategy

The revised Risk Management Strategy was agreed at Governance Scrutiny Group on 23 February 2023. The revised Strategy addresses the recommendations in the BDO report and takes into account the latest best practice in Risk Management as communicated by Zurich in the training sessions. Officers are in the process of reviewing Risk Statements to take account of best practice communicated through the training and audit. It is expected that these will be in use prior to the next report to Governance Scrutiny Group.

- 4.5. There are currently 38 corporate risks (three less than the previous report) and 27 operational risks on the risk register. In addition, there are four opportunity risks. The number of risks within the registers will fluctuate as active risk management is undertaken. Changing pressures facing local government and the proactive work of managers to identify risks as they emerge will continue to influence new risks added to the register and demonstrates the Council's aim to be proactive to mitigate risk as soon as possible after identification.

- 4.6. Appendix A presents the Council's existing Risk Registers containing corporate, operational risks and opportunity risks. There are no new risks and two risks have been removed as a result of recent reviews. Risks that have decreased or increased risk ratings are summarised as follows:

Risk Increased

CRR_FCS13 Failure to deliver the Transformation Strategy: the impact has decreased from 3 to 2 and likelihood has increased from 2 to 4. Crematorium and Streetwise not achieving savings target but mitigated by additional savings from other efficiencies such as Business Rates.

CRR_FCS24 Long term loss/failure of main ICT systems. Likelihood has increased from 1 to 2 and likelihood. With the increase of cyber-attacks, especially Ransomware, if the Council were affected, it could take longer than normal to restore all systems and data back to a clean backup.

Risk reduced

CRR_FCS05 Revaluation of major business rate payer i.e., the impact of Ratcliffe on Soar Power Station closure. Impact has reduced from 4 to 3 due to percentage yield from Ratcliffe on Soar Power Station reducing.

CRR_NS09 Unforeseen incidents happening at public events. Impact has reduced from 4 to 1 as this risk is being reviewed as it should be being considered under general internal H&S / SAG.

CRR_NS10 Failure of business continuity – likelihood has reduced from 2 to 1 as plans are in place and continually reviewed.

CRR_NS11 Ineffective emergency planning arrangements. Impact has increased from 2 to 3 and likelihood has reduced from 2 to 1 – are in place and continually reviewed, we have a strong partnership with NCC who provide our emergency planning support.

OR_CED03 Risk to staff health due to their work. Impact has reduced from 3 to 2, as a result of continuous low-level recording of injuries at work. Also implemented lone worker devices which, it is anticipated, will reduce the likelihood of physical violence whilst at work. Need to monitor this based on Streetwise accident data performance.

OR_NS34 Increased risk of ASB and other related safety concerns arising from the use of an asylum contingency hotel by the Home Office for asylum seekers. Impact has reduced from 4 to 2, the hotel has been in use for a couple of years now with no ASB issues arising. In any event we have good working relationships with partners at SERCO and the Home Office who would be able to manage any issues. Would consider removal of the risk appropriate.

4.7. Two risks have been removed:

CRR_DEG04 Ability to deliver Rushcliffe Oaks project on time and within budget – Rushcliffe Oaks opened.

CRR_DEG08 Failure to secure the Local Development Order for Ratcliffe on Soar site – this has been achieved and there is no longer a risk.

5. Risks and Uncertainties

5.1. If risks within the Risk Register did not have the correct level of mitigation, there would be a heightened threat if a risk occurred. Arrangements are in place to reduce risk by implementation of the Risk Management Strategy.

6. Implications

6.1. Financial Implications

The Risk Management Group ensures that the financial risks of the Council are managed.

6.2. Legal Implications

There are no implications in this report, the processes in place provide good risk management.

6.3. Equalities Implications

The Risk Management Group ensure that equalities implications are contained within this register.

6.4. Section 17 of the Crime and Disorder Act 1998 Implications

The Risk Management Group ensure that the section 17 implications are contained within this register.

6.5. Biodiversity Net Gain

There are no biodiversity net gain implications in this report.

7. Link to Corporate Priorities

The Environment	Maintaining an accurate and up-to-date Corporate Risk Register assists the Council in delivering its Corporate Priorities.
Quality of Life	
Efficient Services	
Sustainable Growth	

8. Recommendation

It is RECOMMENDED that that Governance Scrutiny Group

- a) scrutinises the content of this report; and
- b) considers and makes recommendations on risks that have red alert status.

For more information contact:	Peter Linfield Director - Finance and Corporate Services Tel: 0115 9148439 plinfield@rushcliffe.gov.uk
Background papers available for Inspection:	There are no additional papers
List of appendices:	Appendix A – Risk Registers – Corporate, Operational and Opportunity Risk