	Governance Scrutiny Group **Thursday, 19 September 2024** **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 22 February 2024. 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.

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

2. Recommendation

It is RECOMMENDED that Governance Scrutiny Group

a) note the contents of this report.

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

Risk Management Activity

4.1. Since the last meeting of this Group, the Council's Risk Management Group (RMG) met on 3 September 2024, 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 Description Review

The work to evaluate risk descriptions to better structure wording, proposed by Zurich in 2020 has been completed and adopted into 2024-25 Service Plans.

4.4. 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.

4.5. Risk Management Strategy

The 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.

4.6. There are currently 35 corporate risks (three less than the previous report) and 20 operational risks (7 less than the previous report) on the risk register. In addition, there are 4 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.

4.7. Appendix A presents the Council's existing Risk Registers containing corporate, operational risks and opportunity risks. There are four new risks and 23 have been removed as a result of the risk review in 2023 and ongoing service reviews. Risks that have decreased or increased risk ratings are summarised below.

New risks

- CRR_NS35 – CCTV Cameras - Potential non-compliance with ICO requirements as a result of loss of experienced resource leading to a potential reputational and legal impact on the Council

- OPP_FCS02 – Environmental Agenda leading to rising or reducing revenue and capital budgets (examples include Simpler Recycling and Rushcliffe's carbon neutral targets)

- OPP_FCS03 Freeport - Opportunity for additional business rates from the Freeport as a result of an increase in number of businesses in the Borough leading to higher levels of financial stability for the Council

- OR_FCS16 Decline in pooled investments - Risk of financial loss resulting from the decline in the capital value of pooled investments.

Risk Increased

CRR_FCS33 Failure of partnerships - Council is unable to continue to deliver a specific service or project as a result of the withdrawal of funding support from a public sector partner leading to potential negative impacts on the community and reputational damage.
Likelihood increased from 1 to 2 and impact from 2 to 3.
Reduction in funding may have a negative impact on public partnership and may lead to reorganisation in some areas, there are particular pressures around the Integrated Care Board (ICB) which outcome to partnership arrangements is currently not known.

CRR_NS22 Asylum Relocation schemes - Failure to deliver the national relocation schemes (Asylum, Homes for Ukraine (HFU), Afghan Relocation Programme) in accordance with national guidance as a result of insufficient temporary or permanent accommodation which could lead to failures to support vulnerable refuges and result in poor publicity for the Council.
Likelihood increased from 1 to 2 and impact from 1 to 2.
Whilst the numbers of asylum seekers have reduced owing to the closure of the Belvoir Hotel the housing options team is seeing an increasing number of presentations of persons seeking accommodation generally. At the moment this is manageable.

Risk reduced

OR_DEG08 Missing Planning targets - Missing targets under the Planning Performance and Planning Guarantee as a result of insufficient resources or unmanageable levels of complexity leading to a probable loss of income and reputational damage.
Likelihood decreased from 4 to 3.
Performance in meeting targets has improved and risk is therefore less likely.

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.

7. Link to Corporate Priorities

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

8. Recommendations

It is RECOMMENDED that that Governance Scrutiny Group

a) note the contents of this report
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