



**Governance Scrutiny Group**

**Thursday, 20 February 2025**

**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 19 September 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) review the contents of this report; and
- b) considers and makes recommendations on risks that, in particular, are new risks or have red alert status or any risks that are not identified.

### **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. Since the last meeting of this group, the Council's Risk Management Group (RMG) met on 21 January 2025, to review risks on the register and to make recommendations.

4.2. A Risk Management audit was carried out in July 2022 by BDO, the Council's Internal Auditors. The level of assurance given was a substantial rating for both design and operational effectiveness and recommendations were incorporated where necessary.

4.3. During 2023/24 officers completed an evaluation of risk descriptions to improve articulation and quality of risk information. This work was supported by risk

experts at Zurich and underpinned by a desk top review undertaken by Zurich in 2023. The revised risk descriptions were adopted into 2024/25 Service Plans.

- 4.4. The 2023-2026 Risk Management Strategy was agreed at Governance Scrutiny Group on 23 February 2023. The strategy incorporates the latest best practice in Risk Management as purported by Zurich.
- 4.5. There are currently 38 corporate risks (three new risks have been added for this report) and 21 operational risks (one risk added since the last report) on the risk register. In addition, there are 4 opportunity (upside) 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 and opportunity risks. Risks that have decreased or increased risk ratings and new risks added are summarised below.

#### ***New risks***

- CRR\_CED08 – Difficulty recruiting and retaining staff – reduced ability to recruit or retain staff as a result of Local Government Reorganisation leading to an impact on service delivery, staff morale and reputation
- CRR\_FCS34 – Break in service delivery - risk to the ability of the Council to seamlessly deliver services during reorganisation leading to potential negative impact on residents due to a break in delivery of critical services
- CRR\_FCS35 – Risk to MTFS - risk to the Medium-Term Financial Strategy (MTFS) as a result of changes in the structure of local government and on transition to a new authority leading to destabilisation of the budget
- OR\_FCS17 – loss of Housing Benefit subsidy – New Supported Accommodation provided by non-Registered Provider (Charity / CIC's) resulting in loss of HB subsidy

#### ***Risk Increased***

**CRR\_DEG01 – Five-year housing supply - Inability to demonstrate a five-year supply of deliverable housing sites against the housing target potentially leading to a lack of new homes for potential residents, and an increased possibility of further development on unallocated sites.** Government set housing targets have increased which has impacted our 5-year housing land supply (was around 8 years and now under 6 - full details are still being worked on). Therefore, this risk has increased. It is unlikely that we will lose the 5 year housing land supply in the short term hence the likelihood being set at 2.

## ***Risk reduced***

No risk scores have reduced since the report in September.

- 4.7. Zurich delivered risk training to members of Governance Scrutiny Group on 28 September 2023 and refresher training to officers in November 2024.

## **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 Implications**

There are no implications directly related to the recommendations 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. Recommendations

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- a) review the contents of this report; and
- b) considers and makes recommendations on risks that, in particular, are new risks or have red alert status or any risks that are not identified.

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