



Governance Scrutiny Group

Thursday, 25 September 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 20 February 2025. 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 changes made to the Council's Risk Registers during this period
- 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 9 September 2025, 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 both Design and Operational Effectiveness.

4.3. Risk Management Training

Risk Management Training was last delivered to Councillors in 2023, and refresher training will be arranged for Councillors in 2026.

4.4. Risk Management Strategy

The Risk Management Strategy is due for refresh next year and will be presented to Governance Scrutiny Group at the next meeting on 5 February 2026. There are no major changes anticipated as there is currently no new legislation or best practice to incorporate.

4.5. There are currently 36 corporate risks (two less than the previous report) and 21 operational risks (the same as the previous report) on the risk register. In addition, there are 3 opportunity risks (one less than the previous report). 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 is one new risk and three have been removed since the last meeting. Risks that have decreased or increased risk ratings are summarised below:

New risks

- **OR_FCS17 Loss of Housing Benefit subsidy** - New Supported Accommodation provided by non-Registered Provider (Charity / CIC's) – loss of HB subsidy

Risks Increased

No risks have increased risk scores.

Risks reduced

- **CRR_CED02 Inadequate services** - Increasing demands on employees from LGR, with insufficient training, will lead to the risk of poorer services impacting on the public, council reputation and staff morale – this risk has been renamed and the likelihood reduced from 2 to 1.
- **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 – impact reduced from 3 to 2 as current vacancies being filled and high number of applicants.

- **CRR_FCS02 Reducing New Homes Bonus** – Changes to Government policy or local circumstances could lead to adverse impacts of reduced funding and / or income and, consequently, a budget deficit – impact reduced from 3 to 2. The budget for New Homes Bonus has been reduced to zero. The impact of NHB ceasing with no replacement is therefore mitigated.
- **CRR_FCS05 Reduction in the Business Rates base** - loss of major business rates payer reducing the rates collected leading to a potential budget deficit – likelihood reduced from 3 to 2. The business rates income received from Ratcliffe on Soar Power Station has now been removed from the budget. While it is considered unlikely that other major ratepayers will be removed from the rating list, a provision has been set aside to cover potential appeals and mitigate any associated risk.
- **OPP_FCS01 Interest rates** - Decreases in interest rates leading to reduced interest income and reduced cost of borrowing if the Council decides to borrow – Likelihood has changed from 3 to 2 resulting from changed estimates on forecasted interest rates in the MTFS.

Risks removed

- **CRR_DEG10 Flintham Compulsory Purchase Order (CPO)** – Legal action and CPO fail to deliver outcomes desired at Flintham to make the site safe and available for development – Work was undertaken to remediate the safety of buildings on site.
- **CRR_FCS31 Borrowing costs** - Reduction in cash balances requiring the Council to externally borrow at a time when interest rates are high leading to uncertain increased interest costs – The Council do not anticipate needing to borrow in line with existing Medium Term Financial Strategy and associated reserves.
- **OPP_DEG01Crematorium** – Opportunity for new income to the Council from the operation of the Crematorium which will pay back the cost of building the facility, as well as covering the operational running costs, enabling the Council to continue to provide a facility that offers a high-quality service for local people.

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 Governance Scrutiny Group and Risk Management Group ensure 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 Governance Scrutiny Group and 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 Governance Scrutiny Group and Risk Management Group ensure that the section 17 implications are contained within this register.

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

It is RECOMMENDED that Governance Scrutiny Group:

- a) scrutinises the changes made to the Council's Risk Registers during this period
- 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