



Governance Scrutiny Group

Thursday, 4 February 2021

Risk Management Progress Report

Report of the Executive Manager – Finance and Corporate Services

1. Purpose of report

- 1.1. This report provides an update on risk activity following the July 2020 update to the Group on the impact of Covid-19 on risk. It provides a summary of risks in the Council's Risk Registers that have changed over that period including the risks identified as impacted by the Covid-19 pandemic.

2. Recommendation

It is RECOMMENDED that Governance Scrutiny Group:

- a) notes the contents of this report in relation to existing risks;
- b) considers the progress on the new risks identified in response to the global Covid-19 pandemic;
- c) considers and makes recommendations on the information provided for 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. The Council's Risk Management Group (RMG) met on 12 January 2021 to review risks on the corporate and operational scorecards including Covid-19 risks. Additionally, RMG also reviewed the internal controls and financial implications of risks at red (alert) level, information requested by the Governance Scrutiny Group on 29 September 2020.
- 4.2. There are currently 44 corporate risks and 32 operational risks on the risk register. The number of risks within the registers will fluctuate throughout the year 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.

- 4.3. **Appendix A** presents the Council's existing Risk Register containing corporate, operational and Covid-19 related risks. There are ten changes to risks to consider as a result recent reviews. These changes include three increases to risk ratings and seven reductions to risk ratings. These can be summarised as follows:

Risk Increased

CRR_FCS27 Threat of major successful cyber-attack Likelihood increased from 2 to 3 to take account of the increase in Ransomware attacks during the Covid-19 pandemic.

CRR_TR11 Insufficient staff capacity - skills, knowledge etc Likelihood increased from 2 to 3 as a result of possible impact from Covid-19 impact on staffing levels.

OR_TR17 Threat of violence to staff Likelihood increased from 2 to 3 due to threat to Environmental Health enforcement personnel (Covid-related).

Risk Decreased

CRR_FCS08 Inadequate capital resources Likelihood reduced from 4 to 3 as external borrowing would be used to infill a shortage of resources where necessary.

CRR_FCS12 Risk and return from Asset Investment Strategy Likelihood reduced from 4 to 3. The council has no new commercial investments planned, existing investments are diversified, and performance monitored.

CRR_NS14 Failure to manage a local lockdown Impact reduced from 3 to 2

- Previous experience is now in place of managing lockdowns including our Environmental Health team working closely with business to ensure compliance
- The Council have appointed extra resources to manage certain pinch points including parks and play areas which were particularly busy over the summer months
- Council contribute to, and lead on, various countywide and local groups including local cell meetings, external and internal recovery groups
- Previous experience now shows we are able to significantly contribute to managing local lockdowns or changes in current tier arrangements.

CRR_TR17 Inability to draw down Growth Deal 2 funding within specified timescales Impact reduced from 3 to 2 and likelihood from 4 to 3 as potential issues have been resolved.

OR_FCS09 Loss of capital/lower interest earned on investments, due to current economic climate Impact reduced from 4 to 2 as the budget already reflects the expectation of reduced interest rates.

OR_NS33 Increased risk of Anti-Social Behaviour as a result of enforced periods of lockdown, limited 'allowable' social activities and free use of outdoor spaces Likelihood reduced from 4 to 2.

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- The Council have appointed extra resources to manage certain pinch points including parks and play areas which were particularly busy over the summer months
- Council contribute to, and lead on, various countywide and local groups including local cell meetings, external and internal recovery groups
- Previous experience now shows we are able to significantly contribute to managing local lockdowns or changes in current tier arrangements.

OR_TR14 Partners closure of buildings where RBC has contact points, including RCCC Likelihood reduced from 3 to 1 – The Rushcliffe Community Contact Centre in the Police Station closed, and alternative premises secured in Fountains Court.

4.4. Risks removed – CRR_NS17 Impact of Covid19 on the Borough's leisure facilities and their ability to recover following initial lockdown (March to June / July 2020) – risk replaced by CRR_NS17a and b.

4.5. There are two new risks:

- CRR_NS17a Impact on the Borough's leisure facilities if closed due to Covid-19
- CRR_NS17b Impact on the Borough's leisure facilities' failure to recover after Covid closures.

These risks replace CRR_NS17 Impact of Covid19 on the Borough's leisure facilities and their ability to recover following initial lockdown (March to June / July 2020)

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 Governance Scrutiny Group:

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- b) considers the progress on the new risks identified in response to the global Covid19 pandemic;
- c) considers and makes recommendations on the information provided for risks that have red alert status.

For more information contact:	Peter Linfield Executive Manager - Finance and Corporate Services Tel: 0115 9148439 plinfield@rushcliffe.gov.uk
Background papers available for Inspection:	
List of appendices:	Appendix A – Rushcliffe Borough Council Risk Register