

Report to	Performance Scrutiny Committee
Date of meeting	18th April 2024
Lead Member / Officer	Councillor Julie Matthews, Lead Member for Corporate Strategy, Policy and Equalities / Helen Vaughan-Evans – Head of Corporate Support: Performance, Digital & Assets
Head of Service	Helen Vaughan-Evans – Head of Corporate Support: Performance, Digital & Assets
Report author	Heidi Barton-Price, Strategic Planning and Performance Officer
Title	Corporate Risk Register Review, February 2024

1. What is the report about?

- 1.1 An update on the February 2024 review of the Corporate Risk Register and the Council's Risk Appetite Statement, including changes to our risk reporting frequency.

2. What is the reason for making this report?

- 2.1 To provide information regarding the latest review of the Corporate Risk Register and the Council's Risk Appetite Statement.
- 2.2 We are also informing Performance Scrutiny Committee of our amended approach to risk reporting, which responds to a request from the Governance and Audit Committee.

3 What are the Recommendations?

- 3.1 That Performance Scrutiny Committee considers and comments on the amendments to the Corporate Risk Register.

3.2 That the Committee considers and comments on the amendments to the Council's Risk Appetite Statement, as detailed in 4.7 to 4.8 below, and Appendix 3.

4 Report details

- 4.1 The Corporate Risk Register is developed and owned by the Senior Leadership Team (SLT) alongside Cabinet. It is reviewed twice yearly by Cabinet at Cabinet Briefing. Following each review, the revised register is then shared with Performance Scrutiny Committee and the Governance and Audit Committee. The previous review was undertaken in September 2023. Papers last submitted to Performance Scrutiny Committee ([30th November 2023](#)) are available online.
- 4.2 The Council's Risk Appetite Statement has been applied to the discussions that we have had with risk owners, and our risk exposure (based on the score) is analysed within the Corporate Risk Register (Appendix 2).
- 4.3 The Council currently has 13 Corporate Risks on the Register. Summaries of the review are provided at the start of each risk in Appendix 2. No risks have been de-escalated during this review, and neither have any new risks been added.
- 4.4 Whilst all risks have been reviewed, no significant changes have been made during the February 2024 review, and residual risk scores remain unchanged for all 13 Corporate Risks.
- 4.5 Performance Scrutiny Committee should be assured that the Corporate Executive Team (CET) are taking a proactive monitoring approach to Corporate Risk, and quarterly 'deep-dives' into risks 01, 31, 34 and 48 have been scheduled into CET's Forward Work Plan. Crucially, the Committee should also be assured that financial risks have an ongoing and detailed process in place to ensure that those risks are constantly monitored as part of general budget discussions.

Risk Appetite Statement

- 4.6 Seven risks 01, 21, 34, 45, 50, 51 and 52 (54%) are currently inconsistent with the Council's Risk Appetite Statement (Appendix 3). However, this is to be expected as the register contains the Council's most serious risks.
- 4.7 It has been timely with this review for us to revisit the Council's Risk Appetite Statement (Appendix 3), which was last revised in [November 2022](#). The statement

should reflect our appetite now, where escalating costs and uncertain economic forecasts pose challenges for us in the delivery of services and projects, and threaten shared outcomes around personal and community independence and resilience.

4.8 Following discussions at CET, SLT and Cabinet Briefing, the following feedback was provided as to the appropriateness of the present Risk Appetite Statement:

a) Reflecting the present financial environment, it would be appropriate to now amend the Council's 'open' risk appetite in relation to project financing to '**cautious**'.

b) Following a discussion on our 'cautious' risk appetite for compliance and regulation (non-safeguarding), it was agreed that this was still appropriate for the Council's business and should remain as cautious. However, it was agreed that the descriptor would be amended to 'risks about adherence to law, regulations and **statutory** guidelines.'

c) The Risk Appetite Statement be subject to an annual review.

Risk Reporting

4.9 We have recently received challenge from the Governance and Audit Committee as to the frequency with which Corporate Risks are reviewed, particularly during the present fast-changing financial environment. We have considered their request for 'more iterative' risk reporting throughout the year, weighed against capacity pressure within the Strategic Planning and Performance Team (SPPT), and a compromise that helps answer both (see Appendix 4) has been agreed with risk owners.

4.10 The proposal agreed is for quarterly, lighter-touch reviews with risk owners (alternating between email and tabled), that can then feed (for information only) into Governance and Audit meetings throughout the year (except November when it is tabled for discussion as usual). The register being kept more current throughout the year will hopefully allow SPPT capacity to be spread out, rather than bottle-necked in February and September with the larger reviews we presently have.

4.11 Please note that this approach is something that we will pilot and revisit at the end of 2024 to 2025.

5. How does the decision contribute to the Corporate Priorities?

5.1 The purpose of the Corporate Risk Register is to identify the potential future events that may have a detrimental impact on the Council's ability to deliver its objectives, including its corporate priorities. The identified controls and actions are, therefore, crucial to the delivery of the Corporate Plan 2022 to 2027.

6. What will it cost and how will it affect other services?

6.1 The cost of developing, monitoring and reviewing the Corporate Risk Register is absorbed within existing budgets.

7. What are the main conclusions of the Well-being Impact Assessment?

7.1 The Corporate Risk Register documents identify risks and mitigating actions. The process of developing and reviewing the document itself does not impact adversely on any of the well-being goals. However, any new process, strategy or policy arising as a result of a mitigating action may require a well-being impact assessment.

8. What consultations have been carried out with Scrutiny and others?

8.1 Prior to Performance Scrutiny Committee individual discussions have been held with CET Risk Owners (Chief Executive Officer and Corporate Directors), also including input from relevant Heads of Service and officers leading on further actions for instance.

8.2 A report was presented to CET to agree and / or make further amendments on March 11; with SLT on March 21; and Cabinet Briefing on April 8, 2024. Following Performance Scrutiny Committee's meeting, the register will be shared for information with the Governance and Audit Committee.

9. Chief Finance Officer Statement

9.1 There are no financial implications arising from developing, monitoring and reviewing the Corporate Risk Register.

10. What risks are there and is there anything we can do to reduce them?

10.1 There are no risks associated with this review.

11. Power to make the decision

11.1 Local Government Act 2000.

11.2 The Council's Constitution outlines the roles and responsibilities of senior officers and stipulates that clear procedures and processes must be in place to manage risk effectively.

11.3. Section 21 of the Local Government Act 2000 and Section 7 of the Council's Constitution sets out Scrutiny's powers in relation to examining decisions made or actions taken in connection with the discharge of any of the Council's functions whether by Cabinet or another part of the Council.