

**SUBJECT: STRATEGIC RISK REGISTER – QUARTERLY REVIEW**

**DIRECTORATE: CHIEF EXECUTIVE AND TOWN CLERK**

**REPORT AUTHOR: JACLYN GIBSON, CHIEF FINANCE OFFICER**

## **1. Purpose of Report**

- 1.1 To provide Members with a status report of the revised Strategic Risk Register as at the end of the first quarter 2020/21.

## **2. Background**

- 2.1 An interim report on the status of the strategic risks that the Council faces was presented to this Committee in August 2020. At that time, and as a result of the COVID pandemic, rather than provide the full strategic risk register the report only set out the thirteen strategic risks.
- 2.2 Since reporting in August 2020 officers have now undertaken a full assessment of those risks in terms of the level of assessed risk (likelihood and impact), target risk scores, control measures in place and mitigating actions required in order to; avoid, seek, modify, transfer or retain the risks.
- 2.3 The outcome of this work has resulted in a refreshed Strategic Risk Register for 2020/21, which reflects the significant change in circumstances in which the Council is now operating and the different challenges and opportunities it faces. This refreshed register, contained in Part B of the agenda, will be performance monitored on a quarterly basis, reported to both the Performance Scrutiny Committee and the Executive.

## **3. Strategic Risks**

- 3.1 The Strategic Risk Register currently contains thirteen risk, as follows:
- 1) Failure to engage & influence effectively the Council's strategic partners, council staff and all stakeholders to deliver against e.g. Council's Vision 2025
  - 2) Failure to deliver a sustainable Medium Term Financial Strategy (that supports delivery of Vision 2025).
  - 3) Failure to deliver the Towards Financial Sustainability Programme whilst ensuring the resilience of the Council.
  - 4) Failure to ensure compliance with statutory duties/functions and appropriate governance arrangements are in place.

- 5) Failure to protect the local authority's vision 2025 due to changing structures and relationships in local government and impact on size, scale and scope of the Council.
- 6) Unable to meet the emerging changes required in the Council's culture, behaviour and skills to support the delivery of the council's Vision 2020/2025 and the transformational journey to one Council approach.
- 7) Insufficient levels of resilience and capacity exist in order to deliver key strategic projects & services within the Council.
- 8) Decline in the economic prosperity within the City Centre.
- 9) Failure to mitigate against the implications for the Council following the outcome of Brexit.
- 10) Failure to deliver key strategic projects.
- 11) Failure of the Council's key contractors and partners to remain sustainable and continue to deliver value for money
- 12) Failure to work in partnership to sustain support to vulnerable residents post COVID19.
- 13) Failure to put in place safe working practices and social distancing measures to protect officers and service users.

3.2 The assessed level of each of these thirteen risks is as follows:

<b>Risk No.</b>	<b>Risk Rating</b>	<b>Likelihood</b>	<b>Impact</b>
5 & 8.	Red/High	Almost Certain	Critical
2, 3 & 11.	Red/High	Probable	Critical
7.	Red/High	Almost Certain	Major
1, 10 & 12.	Amber/Medium	Probable	Major
4, 6, 9 & 13.	Amber/Medium	Possible	Major

3.3 The revised Strategic Risk Register is contained within Part B of this agenda.

#### **4. Strategic Priorities**

4.1 Sound risk management is one way in which the Council ensures that it discharges its functions in accordance with its expressed priorities, as set out in the Vision 2025, and that it does so in accordance with statutory requirements and within a balanced and sustainable budget and MTFS.

#### **5. Organisational Impacts**

5.1 Finance - There are no direct financial implications arising as a result of this report. The Council's Strategic Risk Register contains two specific risks in relation to the Medium-Term Financial Strategy and the Towards Financial Sustainability Programme, the risk registers that support these are also being reviewed in light of the current financial challenges the Council is facing.

5.2 Legal Implications including Procurement Rules - The Council is required under the Accounts and Audit Regulations 2011 to have a sound system of Internal Control which facilitates the effective exercise of the Council's functions and which includes arrangements for the management of risk. The maintenance of a Strategic Risk Register and the control actions which the Council undertakes are part of the way in which the Council fulfils this duty.

### 5.3 Equality, Diversity and Human Rights

The Public Sector Equality Duty means that the Council must consider all individuals when carrying out their day-to-day work, in shaping policy, delivering services and in relation to their own employees.

It requires that public bodies have due regard to the need to:

- Eliminate discrimination
- Advance equality of opportunity
- Foster good relations between different people when carrying out their activities.

## 6. Risk Implications

6.1 The Strategic Risk Register contains the key strategic risks to the delivery of the Council's medium and longer term priorities. A failure to monitor the action that is being taken to manage these risks would undermine the Council's governance arrangements.

## 7. Recommendation

7.1 Members are asked to note and comment on the Strategic Risk Register as at the end of the first quarter 20/21.

**Is this a key decision?** No

**Do the exempt information categories apply?** No

**Does Rule 15 of the Scrutiny Procedure Rules (call-in and urgency) apply?** No

**How many appendices does the report contain?** None

**List of Background Papers:** None

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