

READING BOROUGH COUNCIL

<b>TO:</b>	<b>AUDIT AND GOVERNANCE COMMITTEE</b>		
<b>DATE:</b>	<b>12<sup>th</sup> April 2023</b>		
<b>TITLE:</b>	<b>STRATEGIC RISK REGISTER Q4/Q1 2022/23/24</b>		
<b>LEAD COUNCILLOR:</b>	<b>COUNCILLOR LIZ TERRY</b>	<b>PORTFOLIO:</b>	<b>CORPORATE SERVICES AND RESOURCES</b>
<b>SERVICE:</b>	<b>CORPORATE HEALTH &amp; SAFETY &amp; RISK MANAGEMENT</b>	<b>WARDS:</b>	<b>N/A</b>
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<b>JOB TITLE:</b>	<b>CORPORATE HEALTH, SAFETY AND RISK MANAGEMENT LEAD</b>	<b>E-MAIL:</b>	<a href="mailto:Robin.Pringle@reading.gov.uk">Robin.Pringle@reading.gov.uk</a>

**1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY**

- 1.1 This report outlines the 2022/2023 Q4 update of the Strategic Risk Register. The Register is presented to the Council's Audit & Governance Committee, quarterly. The Q3 report was presented to the Council's Audit and Governance Committee in January 2023.
- 1.2 The following document is appended:  
Appendix 1 - the Council's Strategic (Corporate) Risk Register Q4/Q1

**2. RECOMMENDED ACTION**

- 2.1 Audit and Governance Committee are asked to consider the Councils Strategic Risk Register at the end of Q4 (Appendix 1)**

**3. POLICY CONTEXT**

- 3.1 The updated Risk Management Policy and Procedure was presented to Audit & Governance Committee in July and signed off by Policy Committee on the 21<sup>st</sup> of September 2022.
- 3.2 Risk management is a key part of corporate governance. Good risk management will help identify and deal with key strategic risks facing the Council in the pursuit of its goals and is key to good management, not simply a compliance exercise. Risk management and internal control are important and integral parts of a performance management system and are crucial to the achievement of outcomes. They consist of an ongoing process designed to identify and address significant risks involved in achieving the Council's outcomes.

**4. THE PROPOSAL**

## Current Position

4.1 RBC are operating a more comprehensive risk management system, to provide greater governance and reassurances to our insurers and Members.

This is achieved by improving:

- The policy commitments and roles and responsibilities,
- Defining a clear operating procedure,
- Increasing the frequency of Risk Register reviews and reporting, and Working closely with our insurers and risk consultants to embed the new system

4.2 The Directors, Deputy and Assistant Directors received Risk Management training in June 2022, where the new Policy and Procedure was explained. Following the training, The Corporate Management Team (CMT) and Directorate Management Teams (DMT's) were required to review their existing risks, determine if they are still relevant and fit for purpose and determine whether there are new risks that need incorporating into the Risk Registers. DMT's were also asked to determine if any risks should be escalated to the Strategic Risk Register. This review process was repeated for Q3 & Q4.

The SharePoint site, which holds the Strategic and Directorates Risk Registers has been updated this quarter.

4.3 The Strategic Risk Register provides a concise, focused, high-level overview of strategic risks that can be easily communicated to all staff, councilors and stakeholders (e.g. Council's Insurers). It should always be supplemented by directorate, service and project risk registers.

4.4. The risk register covers the actions completed by the Council during Q4 and the risk ratings for the Council for Q1 of 2023/2024.

4.5 Audit and Governance Committee to note the additional information now being recorded within the risk cards:

- 'Background Context', including data source and
- The mitigations have been split into 'Existing Controls' and 'Further Specific Actions required'.

### **4.6 Q4 Strategic Risk Register - Changes**

4.6.1 The Strategic Risk Register was reviewed by the Corporate Management Team (CMT) on the 21<sup>st</sup> March 2023.

### **Risks that continue**

1. Brighter Futures for Children (BFfC) - Lack of local special educational needs and disabilities (SEND) placement provision to meet current and future levels of demand
2. Companies Risk - That the council fails to have in place appropriate oversight and scrutiny of its companies.
3. Cyber- Risk of loss from cyber attack
4. Failure to adapt to the impacts of climate change
5. Failure to deliver zero carbon commitments
6. Failure to implement the social inclusion agenda within the Borough

7. Failure to manage a significant outbreak of a communicable disease(s)
8. Failure to safeguard vulnerable adults and children
9. Information Governance - Failure to protect personal data
10. Staffing - Failure to retain and recruit staff
11. Unable to achieve the budget savings, manage costs, as a result of cost-of-living increases and achieving income targets

#### 4.6.2 Proposed risks for escalation, from BFfC and Directorate registers, to the Strategic Register for CMT agreement

- **BFfC**
  - No risks to escalate
- **DOR**
  - No risks to escalate
- **DACHS**
  - No risks to escalate
- **DEGNS**
  - No risks to escalate

#### 4.6.3 Proposed risks for de-escalation from the Strategic Risk Register to BFfC or Directorate registers for CMT agreement

- **BFfC**
  - No risks for de-escalation
- **DOR**
  - No risks for de-escalation
- **DACHS**
  - No risks for de-escalation
- **DEGNS**
  - No risks for de-escalation

#### 4.6.4 New Risks Introduced

There are no new risks being introduced.

4.7 The Strategic Risk Register (Appendix 1) for agreement, continues to consist of 11 risks, as for Q3. For Q1 & Q2 22/23 there were 15 risks.

4.8 Although guidance is provided in relation to the scoring of risks, with a view to providing as much consistency as possible, it remains a subjective process. The primary aim of the Strategic Risk Register is to identify those key vulnerabilities that CMT consider need to be closely monitored in the forthcoming months and, in some instances, years ahead. In many cases this will be because the risk is relatively new and, whilst being effectively managed, the associated control framework is yet to be fully defined and embedded. In such circumstances it follows that not only will the potential impact be large, but the risk of likelihood of occurrence could also be increased.

4.9 In order to focus Member attention on areas of greatest risk, the Register should include only the key current risks that have not been mitigated down to the acceptable risk level. Where risks have been rated as green for 2 or more consecutive quarters they are removed from the Register. These can be reinstated should the risk increase again.

4.10` Risk Management Training was delivered to Councillors on 2<sup>nd</sup> February 2023 and 30<sup>th</sup> March 2023. Both training sessions provided Members with the guidance on

how to review and challenge reports when received (as part of good governance).

- 4.11 In order to support the embedding of risk management principles across the Council, training for managers and service managers is currently being organised from 2023 /2024.

## **5. CONTRIBUTION TO STRATEGIC AIMS**

- 5.1 Regular review of the Policy, and Strategic Risk Register, is an integral part of effective risk management arrangements and corporate governance. Each risk is linked to a Corporate Plan theme.

## **6. ENVIRONMENTAL AND CLIMATE IMPLICATIONS**

- 6.1 There are no specific environmental and climate implications arising from the decision. The Strategic Risk Register includes two risks related to climate implications and the actions to mitigate these risks are included in appendix one.

## **7. COMMUNITY ENGAGEMENT AND INFORMATION**

- 7.1 The consultation duty is not applicable to the Risk Management Policy & Procedure and Strategic Risk Register.

## **8. EQUALITY IMPACT ASSESSMENT**

- 8.1 An Equality Impact Assessment (EIA) is not relevant to this report.

## **9. LEGAL IMPLICATIONS**

- 9.1 There are no specific legal implications arising from the recommendations in this report".

## **10. FINANCIAL IMPLICATIONS**

- 10.1 There are no specific financial implications arising from the recommendations in this report.

## **11. BACKGROUND PAPERS**

- 11.1 Risk Management Policy & Procedure, 2022