Title	Strategic Risk Register - April 2024
Purpose of the report	To note the report for information
Report status	Public report
Report author	Robin Pringle, Corporate Health, Safety and Risk Management Lead
Lead Councillor	Councillor Liz Terry
Corporate priority	Our Foundations
Recommendations	Audit and Governance Committee are asked to consider the Councils Strategic Risk Register as of January 2024 (Appendix 1)

1.   Executive Summary

1.1   This report outlines the April 2024 update of the Strategic Risk Register. The Register is presented to the Council's Audit & Governance Committee, quarterly. The previous report was presented to the Council's Audit and Governance Committee in January 2024.

1.2   The following document is appended:
Appendix 1 - the Council's Strategic (Corporate) Risk Register

2. Policy Context

2.1   The Risk Management Policy and Procedure was presented to Audit & Governance Committee in July 2022 and was updated in October 2023, and it is available on the Intranet.

2.2   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 a key part of good management, not simply a compliance exercise. Risk management and internal controls 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.

2.3   RBC are operating a 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,
- The frequency of risk reporting, and
- Working closely with our insurers and risk consultants to embed the new system.

2.4   The Corporate Management Team (CMT) and Directorate Management Teams (DMT's) are required to continually 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 are also asked to determine if any risks should be escalated to the Strategic Risk Register.

2.5   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.

3   The Proposal

3.1   The Strategic Risk Register covers the actions completed by the Council between January - March 2024 and the future risk ratings for the Council going forward. Timing of reports to Audit & Governance Committee means the report is produced slightly before the end of the quarter.

3.2   The Strategic Risk Register was reviewed by the Corporate Management Team (CMT) on the 19th March 2024.

3.3   The Strategic Risk Register (Appendix 1) for agreement, consists of the same 11 risks as previous. They are:
   1. Risk of loss from cyber-attack.
   2. Brighter Future for Children (BFfC) - Lack of local special educational needs and disabilities (SEND) placement provision to meet current and future levels of demand.
   3. Unable to deliver a balanced budget because of cost-of-living increases, demand pressures and achieving income targets.
   4. Failure to deliver zero carbon commitments (Climate mitigation).
   5. Failure to safeguard vulnerable adults and children.
   6. Failure to retain and recruit staff.
   7. Companies Risk – That the council fails to have in place appropriate oversight and scrutiny of its companies.
   8. Failure to implement the Tackling Inequality Strategy within the Borough.
   9. Failure to adapt to the impacts of climate change (Climate adaption)
   10. Information Governance - Failure to protect personal data.
   11. Failure to respond to a major incident health hazard or manage a significant outbreak of communicable disease.

3.4   **Proposed risks for escalation, from Brighter Futures for Children (BFfC) and Directorate registers, to the Strategic Register**

   • **BFfC**
     • No risks to escalate
   • **Directorate of Resources**
     • No risks to escalate
   • '**Directorate of Adult Care and Health Services**
     • No risks to escalate
   • **Directorate of Economic Growth and Neighbourhood Services**
     • No risks to escalate

3.5   **Proposed risks for de-escalation from the Strategic Risk Register to BFfC or Directorate registers**

   • **BFfC**
     • No risks for de-escalation
   • **Directorate of Resources**
     • No risks for de-escalation
   • **Directorate of Adult Care and Health Services**
     • No risks for de-escalation
   • **Directorate of Economic Growth and Neighbourhood Services**
     • No risks for de-escalation

3.6   There are no new risks being introduced. However, CMT have asked that it is considered if a Health & Safety risk needs to be developed. If so, this will be reported at the next A&G meeting.

3.7   There are 5 red risk cards.

- Cyber - Risk of loss from cyber attack. No change from the previous quarter.
- BFfC - Lack of local special educational needs and disabilities (SEND) placement provision to meet current and future levels of demand. No change from the previous quarter.
- Failure to safeguard vulnerable adults and children. No change from the previous quarter.
- Failure to deliver zero carbon commitments. No change from the previous quarter.
- Unable to deliver a balanced budget because of cost-of-living increases, demand pressures and achieving income targets. Note: The inherent likelihood rating has increased for Q4 23/24 because of the increasing budget pressures being reported by Brighter Futures for Children, but this is being mitigated in risk terms as it has been factored into the balanced budget approved for 2024/25.

3.8   Guidance is provided in relation to the scoring of risks, to enable 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.

3.9   In order to focus senior management and 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 re-instated should the risk increase again.

3.10   Audit and Governance Committee are requested to note that quantitative data is now being recorded within the 'Background Context' box, where information can be reported in this format. Moving forwards, this will allow the Council and Risk Owners to understand the impact of the control measures implemented.

3.11   It should be noted that the risk information layout has been updated to clearly separate 'existing controls in place' and ongoing 'specific actions'. Each action now records the target date, status, where the action is being monitored and frequency it is being monitored.

3.12   For this report, all risk owners have identified the 'risk status' for each card. This required the risk owners to determine how they plan to continue to manage the risk.
- Treat the risk – Agree to continue to implement further controls to change the nature of the risk
- Tolerate the risk – Agree to accept the risk at its current risk level. This will mean that no further risk mitigations will be implemented but the risk will continue to be monitored
- Escalate the risk – Move the risk to the Strategic Risk Register/ Directorate Risk Register accordingly
- De-escalate the risk – Move the risk to the Directorate / Service Plan Register
- Transfer the risk – Agree to transfer the risk, for example to a contractor or by purchasing specialist insurance to cover the risk
- Terminate the risk – Deciding not to take any further action and stopping the activity.

This activity is part of the introduction of the concept of Risk Appetite, a concept that will be progressed during 2024 – 2025 across the organisation.

CMT discussed and agreed that the application of scoring to the residual risks was not consistent across services. In some cases, the assumption of the successful delivery of forthcoming actions was being considered, but not in all. Work will be done to ensure more consistency in future updates.

3.13   Risk Management Training was delivered to Councillors on 2nd February 2023, 30th of March 2023 and 21st November 2023. All training sessions provided Members with the

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

3.14 In order to support the embedding of risk management principles across the Council, 16 Risk Management for Managers training courses have been provided to date and monthly courses are planned for rest of 2024. These will be provided by the Councils Senior Risk and Health and Safety Adviser.

4. Contribution to Strategic Aims

4.1 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.

4.2 The Council's new Corporate Plan has established three themes for the years 2022/25. These themes are:

- Healthy Environment
- Thriving Communities
- Inclusive Economy

4.3 These themes are underpinned by "Our Foundations" explaining the ways we work at the Council:

- People first
- Digital transformation
- Building self-reliance
- Getting the best value
- Collaborating with others

4.4 Full details of the Council's Corporate Plan and the projects which will deliver these priorities are published on the Council's website. These priorities and the Corporate Plan demonstrate how the Council meets its legal obligation to be efficient, effective and economical.

5 Environmental and Climate Implications

5.1 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.

6 Community Engagement

6.1 The consultation duty is not applicable to the Risk Management Policy & Procedure.

7 Equality Implications

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

8 Other Relevant Considerations

8.1 There are no other considerations relevant for 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 Timetable for Implementation

11.1 Each individual risk card identifies its own implementation timetable.

12 Background Papers

12.1   There are no background papers.

Appendices

1.   Strategic Risk Register as at 25th March 2024