



AUDIT & SCRUTINY COMMITTEE

20 March 2024

REPORT TITLE:	Risk Management Update
REPORT OF:	Tim Willis, Interim Resources Director

REPORT SUMMARY

This report updates members of the Audit & Scrutiny Committee on the status of the Council's 2023/24 Strategic Risk Register.

The number of very high risks has reduced to one since the last report to the committee, the one remaining relates to Cyber Threat. The risk that has reduced slightly relates to the Contract/Partnership failure.

There is one new risk this quarter relating to the Council's high level of debt.

RECOMMENDATIONS

That the Committee notes the report.

1.0 BACKGROUND INFORMATION

- 1.1 A risk management report and register is considered quarterly by the Corporate Leadership Team (CLT), to ensure that strategic risks are updated to reflect ongoing changes to the internal and external environment. In addition to this, the Risk & Insurance Manager liaises with service heads on an ongoing basis to maintain active management of risks, including strategic, operational and project risks.
- 1.2 Appendix A sets out the strategic risks, each of which is the responsibility of a risk owner. Each risk is scored (out of five) for both likelihood and impact, with a combined score arrived at by multiplying one by the other. Guidance on scoring is set out in the risk ranking table in Appendix B.
- 1.3 Each quarterly risk report will highlight and explain the very high risks, any changes to risk scores and any new risks or risks that have been removed from the strategic risk register. Even if a risk is not included in the strategic risk register, it does not mean that it is not being managed – only that it does not require the intervention of CLT to help manage it. The last report to Audit & Scrutiny Committee was on 14 November 2023.
- 1.4 Very high risks

- Risk 13 (Cyber Threat). The Council continues to work with our Cyber Security Partner to improve the Council's security posture. Following an advisory audit, the Council are now working with our internal auditor to challenge and improve policies and procedures.

1.5 Change to risk scores

- Risk 3 (Failure to deliver a clear Leisure Strategy). This risk has been increased from a score of 8 to a score of 12 should there be a delay with the procurement process resulting in no operator in place when the current arrangements expire.
- Risk 12 (Contract/partnership failure). This risk has been reduced from a score of 16 to a score of 12 due to legal advice and ongoing negotiations that have resulted in a diminished financial risk of partnership failure.

1.6 New/removed risks

- Risk 16 (Council's high level of debt places financial pressure on the Budget and MTFs as debt repayments rise without a commensurate increase in income). This risk has been added following on from the Audit & Scrutiny Committee in November.
- Risk 14 (Inflationary pressures) has been removed and subsumed within Risk 7 (General Fund forecasts could fall below the minimum level of reserves).

2.0 OTHER OPTIONS CONSIDERED

2.1 None.

3.0 RELEVANT RISKS

3.1 The report itself is in relation to strategic risks.

4.0 ENGAGEMENT/CONSULTATION

4.1 None.

5.0 FINANCIAL IMPLICATIONS

5.1 None arising specifically from this report, but some risks include financial risks and some control measures identified in the risk register could have financial implications.

6.0 LEGAL IMPLICATIONS

6.1 Effective risk management provides a means of identifying, managing and reducing the likelihood of legal claims or regulatory challenges against the Council.

7.0 ECONOMIC IMPLICATIONS

Name & Title: Name & Title: Laurie Edmonds, Corporate Manager – Economic Development Tel & Email 01277 312500

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- 7.1 The economic implications are included within this report and identified in risk registers.

8.0 EQUALITY & HEALTH IMPLICATIONS

Name & Title: Kim Anderson, Corporate Manager - Communities, Leisure and Health
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- 8.1 None.

9.0 ENVIRONMENTAL IMPACT

Name & Title: Henry Muss, Sustainability & Climate Officer
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- 9.1 Environmental implications are contained within the report and identified in risk registers.

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APPENDICES

Appendix A: Strategic Risk Register

Appendix B: Risk ranking table