

REPORT TO:	AUDIT & GOVERNANCE COMMITTEE 20 April 2023
SUBJECT:	Corporate Risk Register
LEAD OFFICER:	Jane West Corporate Director Resources & S151 Officer
CABINET MEMBER	Councillor Jason Cummings, Cabinet Member for Finance
WARDS:	All
CORPORATE PRIORITY/POLICY CONTEXT:	
<p>As part of the Audit & Governance Committee's role of overseeing the risk management framework and receiving assurance that significant corporate (Red) risks are identified and mitigated by the organisation, this report accompanies the appendix document which presents those risks recorded as 'high rated' or RED on the corporate risk register as at April 2023.</p> <p>In line with the Council's commitment to openness and transparency, the corporate risk report will appear in Part A of the agenda unless there is specific justification for any individual entries being considered under Part B (set out under Paragraph 3 of Schedule 12A of the Local Government Act 1972 as amended).</p>	
FINANCIAL SUMMARY: There are no additional direct financial implications arising from noting this report.	
FORWARD PLAN KEY DECISION REFERENCE NO.: N/A	

1.1 RECOMMENDATIONS

The Committee is asked to:

Note the contents of the corporate risk register as at April 2023

2. EXECUTIVE SUMMARY

- 2.1 The report updates the Audit & Governance Committee Members on the corporate risk register (the register) as at April 2023.

3. DETAIL

Risk Register Report

- 3.1 The register presented details all the current corporate risks rated at a total risk score of 20 and above (Red Risks).
- 3.2 Since the register was last considered by Members in March there has been a significant amount of activity to embed improvements in the approach to Risk Management. Individual engagement sessions/risk management refresh with Directors and Corporate Directors have now all been delivered as part of the organisational redesign implementation and access granted to the corporate risk management system (JCAD). In addition, all Executive Officers and Executive Support Officers have access to the corporate risk management system. This is to ensure that the top layers of management feel confident in reviewing, presenting and owning the risks which relate to their Division/Directorate.
- 3.3 Risk review dates for all Directors have now been aligned on a quarterly basis going forward, Q4 reviews for 2023/23 have now been signed off on the system by the risk owner. Risk reviews on a quarterly basis with the Corporate Director are being informed/assured by Directors having signed off on their risks. This is in addition to a monthly review of all red risks at CMT. Further work is being done with risk owners with a particular focus on future control measures and review dates for future controls (risk improvements) and future risk ratings. This is where the registers could be further improved and where we are concentrating effort. To support this, an upgrade to the current risk system is scheduled which will aid the ongoing review of control measures as well as the roll out of new dashboard style reporting to aid Officers and Members oversee the corporate risk register.
- 3.4 In addition to the activities noted above there have been a number of changes in relation to risk ownership as summarised below and all risks as above are subject to an on-going review. Members are reminded that they can request risk presentations in relation to any risk register entry where more detail/clarification is required.
- 3.5 Risks escalated to Red status since last review by Members:
- Lack of expert equality and diversity resource means that the Council is unable to deliver against it's Equality Strategy and EDI initiatives.
 - The Council fails to plan for / provide a Designated Disaster Mortuary on behalf of the Senior Coroner.
 - The quality of Adult Social Care data, performance recording and insight impacts on operational and strategic oversight and service delivery.
 - Following the repeal of legislation regarding fixed term parliaments, a General Election could be called in as little as 35 days.

- Kier are successful in the legal proceedings against the Council in respect of the Transforming Highways Maintenance Contract.

3.6 Risks de-escalated from Red Status since the last review by Members:

- Occupational Therapy waiting lists growing beyond service capability.
- Impact of operational policy changes for Metropolitan Police around S135 interventions.
- The ICO applies a statutory notice and other enforcement measures to the Council for non-compliance of statutory regulation.
- Impact of Review of CAH/CAT Lease Accounting Treatment and impact on capital / capitalisation direction.
- Statutory Coroners service overspend due to increased demand pressures.
- The Elections Act 2022 includes significant changes to the electoral registration and voting arrangements.

3.7 In line with the Council's commitment to openness and transparency, the register will appear with the corporate risk report in Part A of the agenda unless, in accordance with the Access to Information Procedure Rules in the Council's Constitution there is specific justification for any individual entries being considered under Part B (set out under Paragraph 3 of Schedule 12A of the Local Government Act 1972 as amended).

3.8 It should be noted that some of the grounds for exemption from public access are absolute. However, for others such as that in para.3, 'Information relating to the financial or business affairs of any particular person (including the authority holding that information)', deciding in which part of the agenda they will appear, is subject to the further test of whether, in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

4. FINANCIAL CONSIDERATIONS

4.1 There are no direct financial implications arising from noting this report.

4.2 The Council's financial reporting and medium term financial strategy takes account of the risk management framework, to consider the potential financial implications of risks.

(Approved by Allister Bannin, Director of Finance)

5. LEGAL CONSIDERATIONS

- 5.1 The Head of Litigation and Corporate Law comments on behalf of the Director of Legal Services and Monitoring Officer that the Audit and Governance Committee is required by its terms of reference to monitor the effective development and operation of the Council's risk management arrangements, to monitor progress in addressing risk-related issues reported to the Committee, and to provide independent assurance to the Council of the adequacy of the risk management framework and the internal control environment. Therefore, periodic updates on the Corporate Risk Register are provided to assist Members with this responsibility.
- 5.2 Separately, the management of risk has a direct impact on the Council's ability to deliver its functions in a manner which promotes economy, efficiency and effectiveness. Therefore, the consideration of this report also seeks to demonstrate the Council's compliance with its Best Value Duty under the Local Government Act 1999.
- 5.3 Under Regulation 3 of the Accounts and Audit Regulations 2015, the Council must ensure that it has a sound system of internal control which facilitates the effective exercise of its functions and the achievement of its aims and objectives, ensures that the financial and operational management of the authority is effective, and includes effective arrangements for the management of risk.. This report also seeks to demonstrate compliance with these legal duties.

(Approved by: Sandra Herbert, Head of Litigation and Corporate Law on behalf of the Director of Legal Services and Monitoring Officer Stephen Lawrence-Orumwense)

6. HUMAN RESOURCES IMPACT

- 6.1 There are no immediate human resource considerations arising from this report for LBC employees or staff.
Any impacts arising will be managed under the Council's HR policies and procedures.

(Approved by: Gillian Bevan, Head of HR – Resources and Assistant Chief Executives on behalf of Dean Shoesmith, Chief People Officer)

7. EQUALITIES, ENVIRONMENTAL AND CRIME AND DISORDER REDUCTION IMPACTS

- 7.1 None

8. RISK ASSESSMENT

- 8.1 No further risk issues other than those detailed in the report.

9. FREEDOM OF INFORMATION/DATA PROTECTION CONSIDERATIONS

9.1 Information contained in the Council’s Risk Register or held in relation to the Council’s risk management procedures may be accessible under the Freedom of Information Act subject to the application of any relevant exemptions, such as commercial sensitivity and whether disclosure was in the ‘public interest’.

10. DATA PROTECTION IMPLICATIONS

10.1. WILL THE SUBJECT OF THE REPORT INVOLVE THE PROCESSING OF ‘PERSONAL DATA’?

No.

No personal data is processed as part of the production of the Corporate Risk Register.

10.2. HAS A DATA PROTECTION IMPACT ASSESSMENT (DPIA) BEEN COMPLETED?

No.

Not applicable as no personal data is processed as part of the production of the Corporate Risk Register

CONTACT OFFICER:

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Head of Anti-Fraud, Risk & Insurance

BACKGROUND DOCUMENTS:

Appendix 1 Corporate Risk Register
Appendix 2 Risk Scoring Matrix