

RISK MANAGEMENT

Item AU 24/4 referred from Audit Committee of 15 January 2024

The report of the Management Team provided details of the review undertaken by Zurich Risk Management and provided an update on the risk management process and the Strategic Risk Register (SRR).

Zurich Risk Management had undertaken a Risk Management Health Check through review of the Council's current strategy and guidance; plus interviews with members of Corporate Management Team, the Chief Financial Services Officer and the Health and Safety Officer. The executive summary was attached at Annex 1 of the report and gave the Management Response to the recommendations.

Members received an update on the risk management process and the Strategic Risk Register (SRR). In September 2023, there were 10 risks categorised as 'red' as summarised below:

- Financial position/budget deficit
- Economic stability
- Savings and Transformation Strategy
- Local Plan
- Organisational Development including recruitment and retention/skills mix
- Homes for Ukraine Scheme
- Implementation of the Agile software system
- Political factors including stability of political leadership and decision making
- Performance Management
- Carbon Neutral 2030 Aspiration

Since last reported, there had been a downward movement in a number of risk scores which had resulted in a reduction in the number of RED risks. Financial position/budget deficit, economic stability, organisational development including recruitment/retention/skills mix and performance management were no longer identified as RED risks, however Safeguarding and PREVENT had been elevated to RED. Whilst 'Implementation of the Agile software system' remained a RED risk, Members were advised that the scoring had reduced given that part of the system was live. Members requested that the responsible owner of the risk be invited to attend a future meeting of the committee to discuss the associated risks.

A schedule of ongoing risks identified by Service Management Teams and Management Team since the last report to the Committee in September 2023 was set out in Annex 6 of the report.

During discussion, further information was sought on the reduced risk for 'Financial position/budget deficit', and it was noted that the draft budget for 2024/25 was looking positive. Information would be reported to the Overview and Scrutiny Committee on 25 January 2024. In terms of desirable risk scores for those risks on the Strategic

Risk Register, Members indicated that the inclusion of SMART objectives would prove useful.

RECOMMENDED*: That

- (1) the Risk Management Health Check be reviewed and the Management response to the recommendations made be considered and approved;
- (2) the Risk Management Strategy and accompanying Risk Management Guidance be reviewed, and subject to any amendments required, be recommended to Full Council for adoption;
- (3) the updates to the Strategic Risk Register since the last iteration with particular emphasis on those risks categorised as RED, as well as the general positive 'direction of travel', be noted; and
- (4) the responsible owner of the implementation of the Agile software system be invited to attend a future meeting of the Audit Committee to discuss the risk.

***Referred to Cabinet**