

Classification: Public

Key Decision: No

Gravesham Borough Council

Report to: Draft report to Finance & Audit Committee

Date: 13 November 2019 (MT 22 October 2019)

Reporting officer: Assistant Director (Corporate Services)

Subject: Mid-Year Review of the 2019-2020 Corporate Risk Register

Purpose and summary of report:

To present Members of the Finance and Audit Committee with mid-year progress information in respect of all risks recorded in the 2019-20 Corporate Risk Register which can be found at appendix two of this report.

Recommendations:

Members are requested to:

1. Note the progress made, as set out in appendix three, in managing or mitigating each risk recorded within the 2019-2020 Corporate Risk Register.
2. Voice any concerns regarding the extent of progress that has been made so that if required; these concerns can be raised at the next Cabinet meeting.
3. Start preparing for the development of the 2020-2021 Corporate Risk Register, putting forward suggestions for any current risks that should be removed and/or proposing any new and emerging risks that should be considered for assessment.

1. Introduction and Background

1.1 The 2019-2020 Corporate Risk Register was approved by Council on 16 April 2019 and is attached at appendix two to this report for Member information. Seven strategic risks were identified as being above the Council's risk tolerance threshold and were therefore included in the register:

1. Ongoing financial viability of the council
2. Changes in national priorities and legislative change
3. Organisational capacity/resilience
4. Implementation of the Homelessness Reduction Act
5. Universal Credit
6. Withdrawal of the United Kingdom from the European Union
7. Cyberattack resulting in data breach or corruption of data

- 1.2 The council's Risk Management Strategy states that the Finance and Audit Committee has a responsibility to monitor the effective development and operation of risk management and corporate governance in the council. This report is therefore presented to the committee to enable Members to monitor the impact of management actions specified in the Corporate Risk Register at the mid-year point and inform the process to develop the Corporate Risk Register for 2020-21.

2. Monitoring of actions - Corporate Risk Register 2019-20

- 2.1 The Corporate Risk Register for 2019-20 included a number of actions intended to enable the council to effectively manage or mitigate each risk. Appendix three of this report provides an update on the risk management activity and includes information such as:
- The risk background, consequences, controls and management actions that were documented and agreed in the 2019-20 Corporate Risk Register;
 - A management action update as at the mid-year review point, providing further details of the actions that have been carried out to date to manage or mitigate the risk
 - A colour coded quarterly risk assessment to illustrate how effective risk management actions have been in controlling risks, where Red is inadequate; Amber is Satisfactory and Green is Good.
- 2.2 Members of the Finance and Audit Committee are requested to review the management action as reported in appendix three and discuss whether any further action is necessary to manage or mitigate each risk. Where it is considered that sufficient control action is not being taken concerns should be raised so that they can be referred to Cabinet for further consideration.

3. Development of the 2020-2021 Corporate Risk Register

- 3.1 The development of the council's Corporate Risk Register for 2020-2021 will commence in December 2019. Members are therefore requested to put forward suggestions for any new or emerging risks for consideration and/or recommend which of the existing risks should be carried forward. By way of assistance, the risks listed below were considered for inclusion the 2019-20 Corporate Risk Register but were omitted for the reasons stated:
1. **Business Rates Retention Scheme** - The risk was present in the 2018-19 Risk Register however up to date details around the risk were incorporated into Risk 1 - Ongoing financial viability of the Council; and the risk was therefore not carried forward to 2019-2020 as a standalone risk.
 2. **General Data Protection Regulations (GDPR)** -The risk was also present in the 2018-19 Risk Register and in light of the actions that the council implemented during the year, it was found to carry a low likelihood following reassessment. Whilst the risk was not included in the 2019-20 register; it was agreed that it will be managed at departmental level and continue to be monitored by the Information Governance Group which meets regularly.

3.2 One risk has been identified by Officers as potentially needing to be included in the 2020-21 Corporate Risk Register

1. **Investment Risk** – Over the past couple of years the authority has purchased a number of Investment Properties and now has investments in Property Funds and Multi Asset Funds. The authority is now reliant on these investments to generate rental and investment income to support the revenue budget. Whilst this risk is referred to within different sections of the current Strategic Risk Register, given the value of the investments and the authority's reliance upon the rental and investment income it is felt that it may be necessary to incorporate this into the Corporate Risk Register as a separate risk.

4. **BACKGROUND PAPERS**

4.1 There are no background papers pertaining to this report.

IMPLICATIONS	APPENDIX 1
Legal	There is a specific risk within the Register which highlights the potential issues associated with proposed legislative changes that may affect the council moving forward. Senior Management are being kept up to date with legislative change to ensure that they are able to be fully aware of potential changes proposed to assess how these may affect the council.
Finance and Value for Money	There are no financial or value for money implications arising from the Corporate Risk Register itself. 'Ongoing financial viability of the Council' is one of the key corporate risks identified within the Corporate Risk register and a specific update against this risk is included within appendix three.
Risk Assessment	The regular review of strategic risks facing the council aids the council in managing risk effectively as a contribution to effective strategic decision-making. It is important that the council's approach to risk is reviewed on a regular basis by both officers and Members to ensure new risks are identified and action being taken to mitigate existing risks is effective
Data Protection Impact Assessment	<p><i>A data protection impact assessment (DPIA) should be carried out at the start of any major project involving the use of personal data or if you are making a significant change to an existing process.</i></p> <p>a. Does the project/change being recommended through this paper involve the processing of personal data or special category data or criminal offence data? A definition of each type of data can be found on the Information Commissioner's Office website via the above links. No</p> <p>b. If yes to question a, have you completed and attached a DPIA including Data Protection Officer advice? N/A</p> <p>c. If no to question b, please seek advice from your nominated DPIA assessor or the Information Governance Team at gdpr@medway.gov.uk. N/A</p>
Equality Impact Assessment	<p>a. Does the decision being made or recommended through this paper have potential to cause adverse impact or discriminate against different groups in the community? If yes, please explain answer. No</p>

	<p>b. Does the decision being made or recommended through this paper make a positive contribution to promoting equality? If yes, please explain answer.</p> <p>No</p>
	<p><i>In submitting this report, the Chief Officer doing so is confirming that they have given due regard to the equality impacts of the decision being considered, as noted in the table above</i></p>
<p>Corporate Plan</p>	<p>The council's arrangement to identify, assess and monitor strategic risks contribute to the delivery of Corporate Plan Objective #3: Progress: drive service improvement and corporate governance.</p>
<p>Crime and Disorder</p>	<p>The risk of Crime and Disorder is considered in the annual review and development of the Corporate Risk Register.</p>
<p>Digital and website implications</p>	<p>N/A</p>
<p>Safeguarding children and vulnerable adults</p>	<p>N/A</p>