

Classification: Public

Key Decision: No

Gravesham Borough Council

Report to: Council

Date: 12 May 2020

Reporting officer: Director (Corporate Services)

Subject: Development of the Corporate Risk Register 2020-2021

Purpose and summary of report:

This report informs Full Council of the outcomes from Gravesham Borough Council's annual risk identification and analysis exercise and presents the Corporate Risk Register for 2020-2021 for approval.

Recommendations:

1. Full Council are requested to approve the Corporate Risk Register for 2020-2021.

1. Introduction and Background

- 1.1 Gravesham Borough Council pursues a forward-looking and dynamic approach to delivering services to the local community and in doing so, the council is exposed to risk both in terms of threats and loss of opportunities. The council recognises that risks are inevitable and, in practice, cannot be entirely avoided. Resultantly, the council will tolerate a certain degree of risk when pursuing objectives, executing strategies and delivering services.
- 1.2 Responsibility for risk management runs throughout the council and specific roles and responsibilities have been identified so that risk management is embedded in the culture of the council. Council members have responsibility for approval of the Risk Management Strategy on an annual basis (if appropriate) and determine and agree risks for inclusion in the Corporate Risk Register.

2. Risk Management Strategy 2020-2021

- 2.1 The Risk Management Strategy sets out the approach that has been adopted by the council in identifying, evaluating, managing and recording risks to which it is exposed. The primary intention of the strategy is to ensure that risk management is embedded into the daily operations of the council. The strategy recognises that good risk management will lead to good management, good performance, good stewardship of public money, good public engagement and ultimately, good outcomes for citizens and service users.

- 2.2 In March 2011, it was agreed by Cabinet that the Risk Management Strategy would be reviewed on an annual basis and, where necessary, presented to Cabinet for approval if it was subject to updates and amendments resulting in material changes to the strategy.
- 2.3 The Risk Management Strategy has been reviewed and there have been no updates or amendments required to it. The strategy has therefore not be presented for approval but is appended to the report for information (Appendix 2).
- 3. Corporate Risk Register 2020-2021**
- 3.1 In preparing the Corporate Risk Register for 2020-2021, Management Team, Senior Officers and Members were contacted and requested to provide details of:
- Existing risks recorded in the 2019-2020 Corporate Risk Register that have continued to generate a 'High' risk score and therefore will be carried forward. Existing risks included;
 1. On-going financial viability of the council.
 2. Changes in national priorities and legislation.
 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.
 - Any new risks that should be analysed and considered for inclusion in the 2020-2021 Corporate Risk Register. New risks that were identified included;
 - **Investment Risk** - given the value of the investments and the authority's increased reliance upon the rental and investment income.
 - **Shared Service Risk**- risk related to being involved in shared services
 - **Civil Risk** - i.e. flooding, major disaster.
 - **Non-delivery of key developments**- impact on the council of not driving development in the borough.
- 3.2 A Risk Identification & Analysis Assessment can be found at Appendix III of this report. The document details all risks that have been considered when producing the draft 2020-2021 Corporate Risk Register.
- 3.3 All risks and the outcome of their assessment is summarised in the table and are plotted in the Heat Map below.

Table of Risks Assessed for consideration

Risk Ref	Risk Description	Inherent Risk	Residual Risk	Target Risk
1	On-going financial viability of the council	20	12	9
2	Changes in national priorities and legislation	20	15	12
3	Organisational capacity/resilience	20	15	12
4	Universal Credit	15	12	9
5	Cyberattack resulting in data breach or corruption of data	16	12	9
6	Investment Risk	15	10	9
7	Withdrawal of the United Kingdom from the European Union	--	--	--
8	Implementation of the Homelessness Reduction Act	15	9	6
9	Civil risk- major disaster	8	6	6
10	Increased exposure to risk to Gravesham Borough Council from shared services	9	6	6
11	Non-delivery of key developments	12	6	6

Risk Heat Map (Residual Risk)

Likelihood	Very High	5		6	2,3	
	High	4			1,4	
	Medium	3		10, 11	8	5
	Low	2			9	
	Very Low	1				
High Risk		1	2	3	4	
Medium Risk						
Low Risk						
IMPACT						

3.4 The risks that have generated a “High Risk” score and are above the council’s strategic risk tolerance level can be seen coloured in red and these are included in the 2020-2021 Corporate Risk Register. These risks are listed below and a copy of the register can be found at Appendix IV.

1. On-going financial viability of the council.
2. Changes in national priorities and legislation.
3. Organisational Capacity/resilience.
4. Universal Credit.
5. Cyberattack resulting in data breach or corruption of data.
6. Investment Risk.

- 3.5 A draft copy of the Corporate Risk Register for 2020-2021 was presented and reviewed at the Finance & Audit Committee meeting held on the 17th February 2020. The final version of Corporate Risk Register for 2020-2021 was approved by Cabinet for presentation to Full Council on the 23rd March 2020.

4. On-going monitoring of the Corporate Risk Register

- 4.1 Progress made against the actions in relation to each risk recorded in the Corporate Risk Register will be monitored quarterly and progress information will be presented via a half yearly report to Finance & Audit Committee. On presentation of the report, Finance and Audit committee will be responsible for ensuring that necessary action is being taken to mitigate risks and to make appropriate recommendations to Cabinet as required.

5. Background Papers

- 5.1 There are no background papers pertaining to this report
- 5.2 Anyone wishing to inspect background papers should, in the first place, be directed to Committee & Electoral Services who will make the necessary arrangements.

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 assessment of 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.</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. 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>
Corporate Plan	The council's arrangement to identify, assess and monitor strategic risks contribute to the delivery of Corporate Plan Objective #3: Progress: an entrepreneurial authority; commercial in outlook and committed to continuous service improvement, underpinned by a skilled workforce and strong governance environment

Crime and Disorder	The risk of Crime and Disorder is considered in the annual review and development of the Corporate Risk Register
Digital and website implications	The Corporate Risk Strategy and Risk Register for 2019-20 will be placed on the website following Council approval
Safeguarding children and vulnerable adults	N/A