

**Classification:** Public

**Key Decision:** No

## **Gravesham Borough Council**

**Report to:** Draft report to Finance & Audit Committee

**Date:** 11<sup>th</sup> November 2020

**Reporting officer:** Director (Corporate Services)

**Subject:** Mid-Year Review of the 2020-21 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 2020-21 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 2020-21 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 2021-22 Corporate Risk Register, putting forward suggestions for any current risks that should be removed and/or propose any new and emerging risks that should be considered for assessment.

## **1. Introduction and Background**

- 1.1 The 2020-21 Corporate Risk Register was approved by Council on 12th May 2020 and is attached at appendix two to this report for information. Six 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. Universal Credit
  5. Cyberattack resulting in data breach or, corruption of data
  6. Investment Risk
- 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 2021-22.

## 2. Monitoring of actions - Corporate Risk Register 2020-21

- 2.1 The Corporate Risk Register for 2020-21 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 activity and includes information such as:
- The risk background, consequences, controls and management actions implemented to eliminate reduce or transfer risk as agreed in the 2020-21 Corporate Risk Register;
  - Required Management Action as originally documented in the 2020-21 Corporate Risk Register
  - An update of the Management Action as at Mid-Year Review.
  - 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 In developing the Corporate Risk Register and the actions to manage or mitigate the risks, consideration was given to the impacts of the COVID-19 pandemic and the end of the transition period for the UK leaving the European Union on 31 December 2020. Actions intended to respond to the impacts of such events were included in Risk 1: Ongoing financial viability of the Council, Risk 2: Changes in national priorities and legislative change and Risk 3: Organisational capacity and resilience.
- 2.3 Members of the Finance and Audit Committee are requested to review the effectiveness of management action as at mid-year and discuss whether or not any further action is necessary to manage or mitigate each risk. Where it is considered that sufficient control action is **not** being taken, concerns will need to be raised so that they can be referred to Cabinet for further consideration

## 3. Development of the 2021-22 Corporate Risk Register

- 3.1 The development of the council's Corporate Risk Register for 2021-22 will commence in December 2020. Members are therefore asked 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 in the 2020-21 Corporate Risk Register, but were omitted for the reasons stated:
1. **Withdrawal of the United Kingdom from the European Union**- This risk was present in the 2019-20 Corporate Risk Register; however it was considered difficult to assess the risks or benefits that may be associated with the UK leaving the European Union for the 2020-21 register. Given the nature of council activities being carried out, it was considered that risks associated with the withdrawal of the United Kingdom from the European Union, would be captured in Risk 2: Changes in national priorities and legislation.
  2. **Implementation of the Homelessness Reduction Act** -This risk was also present in the 2019-20 -Risk Register, however following review of risks in response to the implementation of The Act; it was considered that the council had implemented effective systems and procedures in order to

actively deliver the additional duties that were required. Further to a reassessment of this risk, the score reduced to “medium”.

3. **Civil Risk Major Disaster-** Assessment of this risk awarded it a Medium score, as under the Civil Contingencies Act 2004, the Kent Resilience Forum (KRF) partners are responsible for assessing Civil/ Major Disaster risks in the Kent area. KRF partners achieve this by working together with other relevant authorities such as Gravesham Borough Council to develop the 'Kent Community Risk Register'. The final register is endorsed by the strategic representatives of all KRF partners.
4. **Increased exposure to risk to Gravesend Borough Council from shared services-** Assessment of controls associated with the management of associated risks generated a Medium Score.
5. **Non-delivery of key developments** The council made a clear commitment in the recently adopted Corporate Plan to work towards a regenerated Gravesend and Northfleet, delivery of new homes and to stimulate economic growth. The assessment of controls in place to militate against potential risks that may prevent delivery of these objectives found the risk to generate a medium risk score.

#### 4. Background Papers

- 4.1 There are no background papers pertaining to this report.

IMPLICATIONS	APPENDIX 1
<b>Legal</b>	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.
<b>Finance and Value for Money</b>	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.
<b>Risk Assessment</b>	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.
<b>Data Protection Impact Assessment</b>	<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 <a href="#">personal data</a> or <a href="#">special category data</a> or <a href="#">criminal offence data</a>?  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 <a href="mailto:gdpr@medway.gov.uk">gdpr@medway.gov.uk</a>.  N/A</p>
<b>Equality Impact Assessment</b>	<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><b>Corporate Plan</b></p>	<p>The council's arrangement to identify, assess and monitor strategic risks contributes to the delivery of Corporate Plan Objective #3: Progress: drive service improvement and corporate governance.</p>
<p><b>Crime and Disorder</b></p>	<p>The risk of Crime and Disorder is considered in the annual review and development of the Corporate Risk Register.</p>
<p><b>Climate Change</b></p>	<p>There are no climate change implications to this report.</p>
<p><b>Digital and website implications</b></p>	<p>N/A</p>
<p><b>Safeguarding children and vulnerable adults</b></p>	<p>N/A</p>