

**NEWCASTLE-UNDER-LYME BOROUGH COUNCIL**

**EXECUTIVE MANAGEMENT TEAM'S  
REPORT TO**

**Audit & Standards Committee**  
**19 April 2021**

**Report Title:** Corporate Risk Policy and Strategy 2021/22

**Submitted by:** Executive Management Team

**Portfolios:** Corporate and Service Improvement, People and Partnerships

**Ward(s) affected:** All

**Purpose of the Report**

To provide Members with the reviewed Risk Management Policy Statement signed by the Chief Executive and Leader of the Council, and the reviewed Risk Management Strategy, both of which support the management of the risks identified at the Council.

**Recommendation**

The Committee is asked to:-

1. **Note the current Risk Management Policy and Strategy for the 2021/22 year, subject to changes listed in the documents, and note that the Chief Executive and Leader of the Council have agreed and signed the Risk Management Policy Statement.**

**Reasons**

The risk management process adopted by the Council has been reviewed to incorporate changes in the way the Council works and to provide continuity and streamlined reporting of risks to allow the process to become further embedded at each level of the authority. This will also aid the identification of key risks that potentially threaten the delivery of the Council's corporate priorities. The Risk Management Strategy provides a formal and proportionate framework to manage these identified risks and thus reduce the Council's exposure.

1. **Background**

- 1.1 The Council annually reviews its Risk Management Policy Statement and Risk Management Strategy.
- 1.2 The last review of the Risk Management Policy and Strategy was in July 2020.

2. **Issues**

2.1 **Risk Management Policy and Strategy**

Note the current Risk Management Policy and Strategy for the 2021/22 year, subject to changes listed in the documents, and note that the Chief Executive and Leader of the Council have agreed and signed the Risk Management Policy Statement.

### 3. Proposal

- 3.1 The Council regularly reviews and refreshes its risk registers in accordance with the Risk Management Strategy.
- 3.2 These reviews are co-ordinated by the Strategic Risk Champion who works closely with Directors, Operational Risk Champions and Risk Owners.
- 3.3 The measure of the ratings for the impact and likelihood are shown below, for ease of use.

#### Impact Measures

	High (red)	Medium (amber)	Low (green)
Health & Safety	Death, abuse, life threatening <u>OR</u> permanent disability	Serious injury <u>OR</u> long-term absence from work (over 7 days)	Minor injury <u>OR</u> short-term absence from work (less than 7 days)
Cost	More than £300k	Between £50-£300k	Between £20-£50k
Reputation	National media attention, potential public interest report, third party intervention	Sustained local media attention, Executive Director reporting, Member interest	Short term local media attention, Wider Management Team reporting
Service Delivery	Serious service failure directly affecting partners, stakeholders (more than 1 month)	Service failure but not directly affecting partners or stakeholders (up to 1 month)	Service disruption (between 1 day to 2 weeks)
Project Delivery	Project failure impacting on council's priorities and performance	Project failure impacting on Directorate's performance and priorities	Project delay impacting on service performance and priorities
Legal implications	Statutory body, partner or enforcement agency	Member and Executive Management Team	Wider Management Team

#### Likelihood Measures

	High (red)	Medium (amber)	Low (green)
Timescale	Highly likely to occur (90%+ chance)	Likely to happen (50-89% chance)	Possible (1-49% chance)
	An incident has occurred in the past year <u>OR</u> is highly likely to occur in the next year	An incident has occurred in the past 2-5 years <u>OR</u> is likely to occur in the next 2-5 years	An incident has occurred in the past 6+ years <u>OR</u> is likely to occur in the next 6+ years

L I K E L I H O O D	High	7 Amber	8 Amber	9 High Red
	Medium	4 Green	5 Amber	6 Amber
	Low	1 Green	2 Green	3 Amber
		Low	Medium	High
<b>IMPACT</b>				

#### 4. **Reasons for Proposed Solution**

4.1 To offer a continual review process to minimise and mitigate risks.

#### 5. **Options Considered**

5.1 Appendix A is the reviewed and updated policy, to be accepted and communicated to all officers and Members.

#### 6. **Legal and Statutory Implications**

6.1 The Accounts and Audit (England) Regulations 2015, state that:

*“The relevant body **is** responsible for ensuring 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”.*

#### 7. **Equality Impact Assessment**

7.1 There are no differential equality impact issues in relation to this report.

#### 8. **Financial and Resource Implications**

8.1 None where actions are to be taken in order to mitigate the risks as these will be met from within existing budgets. Where this is not possible, further reports will be submitted to Members of relevant Committees.

#### 9. **Major Risks**

9.1 Not approving the Policy and Strategy may expose the council to non-compliance with its Legal and Statutory obligations.

## 10. UN Sustainable Development Goals and Climate Change Implications

- 10.1 Good risk management is a key part of the overall delivery of the Council's four corporate priorities of; Local Services that Work for Local People, Growing our People and Places, a Healthy, Active and Safe Borough, a Town Centre for all. Officers assess sustainability and climate change implications as part of their local services.



## 11. Key Decision Information

- 11.1 This report is for information and there are no key decision requirements pertaining to the information contained within the report.

## 12. Earlier Cabinet/Committee Resolutions

- 12.1 Previous Minutes from Committee meeting held on 27 July 2020 regarding the last Risk Management Policy Statement and Strategy review.

## 13. List of Appendices

- 13.1 Appendix A – Risk Management Policy Statement and Risk Management Strategy.

## 14. Background Papers

- 14.1 Previous Minutes and reports have been circulated to relevant Members and Officers.