



**NEWCASTLE-UNDER-LYME BOROUGH COUNCIL**

**EXECUTIVE MANAGEMENT TEAM'S**  
**REPORT TO**

**Audit & Standards Committee**  
**26 July 2021**

**Report Title:** Quarter 4 2020/21 and Quarter 1 2021/22 Corporate Risk Management Report

**Submitted by:** Executive Management Team

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

**Ward(s) affected:** All

**Purpose of the Report**

To inform Members of the progress made by the Council in enhancing and embedding risk management for the period January to March 2021 (Q4 (2020/21)) and April to June 2021 (Q1 (2021/22)) including progress made in managing identified corporate risks.

To ask members to recognise that risk likelihood can be mitigated but the risk impact may not change.

**Recommendation**

**The Committee is asked to:-**

- (a) Note that there are no overdue risk reviews during Q4 (point 2.1.1).**
- (b) Note that there are 10 overdue risk reviews during Q1 (point 2.1.2).**
- (c) Note that there were no risk level increases during Q4 (point 2.2.1).**
- (d) Note that there were no risk level increases during Q1 (point 2.2.2).**
- (e) Note that there were 2 new identified risks during Q4 (point 2.2.3).**
- (f) Note that there was 1 new risk identified during Q1 (point 2.2.4).**
- (g) Note Appendix A – update on the corporate risks (point 2.2.5).**
- (h) Identify, as appropriate, individual risk profiles to be scrutinised in more detail at the next meeting of the Committee.**

**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 monitors and manages all its risks through the various risk profiles contained within GRACE (Governance Risk and Control Environment) – the Council's software used to record and manage risks.
- 1.2 The Council currently reviews its high (red 9) risks at least monthly and its medium (amber) risks at least quarterly.
- 1.3 The last review of these risks (Q3 2020/21) was reported to the Council's Audit & Standards Committee on 08 February 2021.
- 1.4 Risk owners are challenged by the Council's Risk Champions in respect of the controls, further actions, ratings and emerging risks related to their risk profiles, and are also challenged on the reasons for inclusion or non-inclusion and amendments of these.
- 1.5 Projects are managed to a high level in relation to risk and are reviewed in accordance with the Risk Management Strategy (i.e. at least monthly). Any specific projects, where required can also have their risks monitored, maintained and managed in the Project Board meetings, in line with whichever risk management process they wish to use – this will stop 'double reporting' and enable officers to manage the project risks accordingly, but escalating any requirements via the process in the Risk Management Strategy.

## 2. **Issues**

- 2.1 Further to an Audit Assurance recommendation your officers have been asked to report on overdue risk reviews that are 6 months out of date.
  - 2.1.1 At the time of running the report, there are no overdue risk reviews in Q4 (2020/21).
  - 2.1.2 At the time of running the report, there are 10 overdue risk reviews in Q1 (2021/22). Five of these sit in Legal and Governance; 4 in Environmental Protection (however it has been noted that the responsible Officer is dealing with other urgent matters at this time – Walleys Quarry); and the last one is in the Asset Management Strategy risk profile.
  - 2.1.3 In line with the risk management strategy the escalation process will be followed, until such time that involvement of this Committee is required.
- 2.2 Following a previous meeting a brief point is now produced to show any risks where the risk level has increased to a Medium 7, 8 or High 9.



2.2.1 Your officer can report that there were no risk level increases during Q4 (2020/21)

2.2.2 Your officer can report that there were no risk level increases during Q1 (2021/22).

2.2.3 There were 2 new risks identified for Q4 (2020/21). These were in relation to CCTV in Newcastle Town Centre – underperformance by Contractor; and the Failure to deliver the Local Plan. Both of these risks are managed at officer level.

2.2.4 There was one new identified risk for Q1 (2021/22). This is in relation to Walleys' Quarry, and is managed day to day at Officer level, but is on the Corporate risk register for the Executive Management Team to deal with higher level issues.

2.2.5 Appendix A highlights the Corporate risks following a review on 18 June 2021.

2.2.6 Should there have been any changes or increasing during July to September 2021 these will be fully reported to the next relevant meeting of the Committee.

3. **Proposal**

3.1 To accept the recommendations.

3.2 To accept Appendix A.

4. **Reasons for Proposed Solution**

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

5. **Options Considered**

5.1 Following the comprehensive review of risk profiles taking place across the council, the only risks to be reported are those from the Corporate Risk Register, unless there are any significant occurrences or increased in other profiles.

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 Insufficient risk profiles 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 08 February 2021.

13. **List of Appendices**

13.1 Appendix A – Corporate risks with heat map.

14. **Background Papers**

14.1 None