

NEWCASTLE-UNDER-LYME BOROUGH COUNCIL

**EXECUTIVE MANAGEMENT TEAM'S REPORT TO THE
AUDIT & STANDARDS COMMITTEE**

Date 17 April 2023

1. **REPORT TITLE** Corporate Risk Policy Statement and Strategy 2023/24
- Submitted by:** Corporate Leadership Team
- Portfolio:** 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, and the reviewed Risk Management Strategy, both of which support the management of the risks identified within the Council.

Recommendation

The Committee is asked to:-

- (a) **Accept the reviewed Risk Management Policy and Strategy for the 2023/24 year, subject to changes.**
- (b) **If approved by this Committee, note that the Chief Executive and Leader will sign the Policy Statement.**
- (c) **Note their own respective responsibility in risk management.**

Reason

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 April 2022.

2. **Issues**

- 2.1 Following a recent Audit, recommendations were made to strengthen the Strategy. This included

- Amendments to Roles and Responsibilities to include Cabinet Members and Portfolio Holders and to clarify those of the Operational Risk Champions.
- To consider the evaluation matrix to enable a clearer representation of the level and priority of risks.

3. **Proposal**

- 3.1 To note the recommendations provided in the Risk Management Audit report.
- 3.2 To accept the reviewed Risk Management Policy statement and Strategy documents.

4. **Reasons for Preferred 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 risks reported are those from the Corporate Risk Register, unless there are any significant occurrences or increased in other profiles; or those risks that are more than 6 months overdue.
- 5.2 To accept the recommendations of this report.

6. **Legal and Statutory Implications**

- 6.1 It is considered that the RMS and the procedures it sets out, including the escalation of risks and reporting to this committee satisfies the requirements of the Accounts and Audit (England) Regulations 2015 which 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 There are no resource implications in respect of the management and reporting of risk, outside of usual establishment provision for the costs of delivering that service. Finance and resource implications arising from particular risks are identified and managed as part of the risk profile in question

9. **Major Risks**

- 9.1 Inadequate resource and/or expertise to comply with the processes in the RMS leaves the council unable to appropriately identify and manage a potentially significant wide range of risks.

- 9.2 That could lead to a wide range of organisational governance and service or project delivery failures. Impacts could be profound in financial and health and wellbeing terms for the organisation, its employees and partners and the people and organisations it delivers services to. It would mean the Council is unable to comply with the legal requirements set out above in respect of the management of risk.

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 One Council delivering for Local People; A successful and sustainable growing Borough; Healthy, Active and Safe communities; and Town Centres for all. Officers assess sustainability and climate change implications as part of their local services.



11. **Key Decision Information**

- 11.1 N/A

12. **Earlier Cabinet/Committee Resolutions**

- 12.1 Previous Minutes from Committee meeting held on 25 April 2022.

13. **List of Appendices**

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

14. **Background Papers**

- 14.1 2022/2023 Risk Management Policy and Strategy.