

**NEWCASTLE-UNDER-LYME BOROUGH COUNCIL**

**CORPORATE LEADERSHIP TEAM'S  
REPORT TO THE  
AUDIT & STANDARDS COMMITTEE**

**14 July 2025**

**Report Title:** Corporate Risk Management Report Quarter 4 2024/25

**Submitted by:** Corporate Leadership Team

**Portfolios:** Finance, Town Centres and Growth

**Ward(s) affected:** All

**Purpose of the Report**

**Key Decision Yes  No**

To update Members on the current position in respect of risk management controls and identified corporate risks.

**Recommendation**

**That the Audit & Standards Committee:**

- 1. Note that there is currently 1 risk that is more than 6 months overdue for a review up to end of Q4 2024/25.**
- 2. Note that there have been 1 risk level increases.**
- 3. Note there has been 1 new risk added.**
- 4. Note the Corporate Risk Register profile.**
- 5. Advise officers of any individual risk profiles that the Committee would like to scrutinise in more details at its next meeting.**
- 6. Note that whilst the likelihood of a risk materialising may be mitigated, the likely impacts may not change.**

**Reasons**

To comply with Audit and Risk Management Strategy requirements to report to committee: risk reviews that are more than 6 months overdue; the Corporate Risk Register; and any risks that have been increased in rating to a medium D or high E, or are new risks.

## **1. Background**

- 1.1** The Council's Risk Management Strategy (RMS) sets out how it identifies, records, manages and reports on risk. It uses the GRACE software (Governance Risk and Control Environment) to monitor and manage all of its risks by creating individual risk profiles which rank risk based on likely occurrence and impact, after applying relevant mitigation measures. The system allows for the creation and monitoring of mitigation action plans and the assignment of risk owners.
- 1.2** The system allows risks to be managed in this way at service and directorate level and, where warranted, corporately through the Corporate Leadership Team and this committee. The RMS describes how risks are escalated and reported through that hierarchy depending on the nature of the risk, and in light of any delays in reviewing risk profiles or applying mitigation measures.
- 1.3** The Council currently reviews its high (red) risks at least monthly and its medium (amber) risks at least quarterly. The RMS and good audit practice requires that amber and red risks are reported to this committee where escalation is required, along with any risk profiles that are overdue for review by 6 months or more. This set of measures was last reported to this Committee on 03 February 2025.
- 1.4** GRACE automatically prompts Risk Owners to review their risk profiles at the required intervals, and will escalate overdue reviews. The review process involves the Council's Risk Champion challenging Risk Owners in respect of the controls, further actions, ratings and emerging risks related to their risk profiles. They are also challenged on the reasons for inclusion or non-inclusion of risks and amendments made to profiles. The Risk Champion has a direct reporting line to the Monitoring Officer and into the Corporate Leadership Team.
- 1.5** Project specific risks are managed to a high level in project specific risk registers, and are reviewed in accordance with the RMS at least monthly. Any specific projects can, where required, also have their risks monitored, maintained and managed in the Project Board meetings, but remain subject to the escalation requirements in the RMS.

## **2. Issues**

- 2.1** There is currently 1 overdue risk reviews 6 months overdue, up to the end of Q4 2024/25.
- 2.2** During the last quarter (Q4), 1 risk rose in priority to a Medium D or High E.
- 2.3** In the same respect, there has been 1 new risk added. This risk sits in the Bribery Act 2010.
- 2.4** The Corporate Risk Register has been reviewed, and there has been no change.

### 3. **Recommendation**

- 3.1 That Members note that there is currently 1 risk more than 6 months overdue for a review up to end of Q4 2024/25. Appendix A shows the overdue risk matrix.
- 3.2 That Members note that there have been 1 risk level increase to either a Medium D or a High E. Appendix B shows the risk matrix and details.
- 3.3 That Members note the 1 new risk. Appendix C shows the risk matrix and details.
- 3.4 That Members note the Corporate Risk register. Appendix D shows the status as at the last review on 16 May 2025.
- 3.5 That Members advise officers of any individual risk profiles that the Committee would like to scrutinise in more details at its next meeting.
- 3.6 Note that whilst the likelihood of a risk materialising may be mitigated, the likely impacts may not change.

### 4. **Reasons**

- 4.1 To comply with Audit and Risk Management Strategy requirements to report to committee: risk reviews that are more than 6 months overdue; the Corporate Risk Register; and any risks that have been increased in rating to a medium D or high E, or are new risks.

### 5. **Options Considered**

- 5.1 N/A. Reporting is undertaken in accordance with the RMS.

### 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 & Mitigation

9.1 Limited resource to ensure timely compliance 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 could mean the Council may be unable to comply with the legal requirements set out above in respect of the management of risk.

## 10. UN Sustainable Development Goals (UNSDG)

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. One Council

Please confirm that consideration has been given to the following programmes of work:

One Commercial Council

*We will make investment to diversify our income and think entrepreneurially.*

One Digital Council

*We will develop and implement a digital approach which makes it easy for all residents and businesses to engage with the Council, with our customers at the heart of every interaction.*

One Green Council

*We will deliver on our commitments to a net zero future and make all decisions with sustainability as a driving principle.*

## 12. **Key Decision Information**

12.1 N/A

## 13. **Earlier Cabinet/Committee Resolutions**

13.1 Previous Minutes from Committee meeting held on 03 February 2025.

## 14. **List of Appendices**

14.1 Appendix A – Overdue risk matrix.

14.2 Appendix B – Risk level increases & matrices.

14.3 Appendix C – New risk & matrix

14.4 Appendix D – Corporate Risk Register.

## 15. **Background Papers**

15.1 None.

This page is intentionally left blank