

**Title of Report:** Corporate Risk Management 2021/22 - Quarter 2 Update

**Report of:** Darren Collins, Strategic Director, Resources & Digital

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### **Purpose of the Report**

1. This report updates the Committee on Corporate Risk Management developments during the period 1 July 2021 to 30 September 2021.

### **Background**

2. Quarterly reporting to those with the responsibility for the oversight of risk management issues complies with the principles of good corporate governance. It is also embodied in the Corporate Risk Management Policy. This was last approved by Council on 21 May 2013 and is kept under review. Whilst it has been amended to reflect minor structural changes and roles in that time, it remains relevant and fit for purpose.
3. The report covers progress against the Corporate Risk Management Developmental Objectives for 2021/22, as cited in the Corporate Risk Management Annual Report 2020/21, and any other risk management issues emerging within the quarter under consideration.

### **Strategic Risk Management**

4. In November 2018, Cabinet and Council approved a revised Strategic Risk Register which had been presented to Audit and Standards Committee on 1 October 2018. The Corporate Management Team has continued to ensure strategic risks are responded to in accordance with the Risk Management Policy, with risks and controls being recorded for inclusion within the Strategic Risk Register.
5. There have been no changes to the Strategic Risk Register in the second quarter 2021/22. The current Strategic Risk Register is attached for information in Appendix 1.

### **Operational Risk Management**

6. Operational risks identified within the Council are recorded on the operational risk register. Work is ongoing to ensure operational risk management activity within services continues to align with service objectives, including those risks specific to operational objectives.
7. Service Risk Coordinators, whose role it is to support and champion risk management activity within their Services, are working with the Corporate Risk Officer to support risk owners with evaluating existing operational risk assessments. The focus of this

work is on ensuring the assessments contain the required information to inform the management response.

### **Business Continuity Management**

8. In accordance with the Council's Risk Management and Business Continuity Policies, all Services are required to continuously assess the risk of their activities being disrupted and to develop cost effective business continuity plans.
9. All Business Impact Assessments were reviewed by Services in March 2020, again in November 2020 and most recently in May 2021. This was to continue to identify threats to critical activities and potential increased demand on Council Services following a further wave of infections. Business Continuity Plans were also revised accordingly to mitigate, as far as possible, any threats to the delivery of key activities with a focus on activity that could not be interrupted for more than 48 hours without critical impact. This exercise was also used to assess which activities might require additional support to strengthen resilience and estimated the officer numbers and skills that might be needed.
10. This process has been further strengthened since mid August with weekly updates by exception requested of Service Directors regarding the short term assessment of resilience in respect of their critical activities to provide CMT of assurance in relation to critical activities, and also highlight areas where additional support may be necessary.
11. Quarterly audit and risk reports are provided to Group Management Teams to highlight the activities for which Services have developed continuity plans.

### **Corporate Risk and Resilience Group**

12. The Corporate Risk and Resilience Group last met 11 October 2021. The following items were considered:
  - Brexit impact on current economic conditions
  - Ongoing impact of COVID-19 on service delivery
  - Resilience and emergency planning
  - Updates from Groups and Services
13. As we approach the winter period with the additional threats and service pressures that brings the Group will meet monthly to ensure a shared understanding of issues and a consistent corporate approach to assessment and mitigation.

### **Recommendation**

14. It is recommended that the Committee note the report and consider the effectiveness of the Council's risk management arrangements.

**Contact: Craig Oakes Ext. 3711**

## Strategic Risk Register as at 30 Sept 2021

Ref	Risk	Risk owner	Gross	Current risk		
				Likelihood	Impact	Score
1	Failure to address the financial gap in the Council's budget and achieve the target within the Medium-Term Financial Strategy resulting in non-achievement of Council strategic priority of Making Gateshead a Place Where Everyone Thrives.	CMT	16	Moderate	High	12
2	Failure to manage demand and expectations could result in the Council not achieving its Thrive agenda.	CMT	16	Moderate	Medium	9
3	Failure to safeguard vulnerable children and adults	CMT	16	Unlikely	High	8
4	Failure to attract inward investment and deliver sustainable economic growth.	CMT	12	Moderate	Medium	9
5	Non-compliance with statutory requirements resulting in prosecution and subsequent penalties.	CMT	12	Moderate	Medium	9
6	Failure to address workforce planning and resourcing requirements impacting on service delivery.	CMT	16	Moderate	Low	6
7	Failure to provide a response during a Major incident or business interruption affecting availability of the Council's resources and impacting on ability to deliver critical services or an impact on a community.	CMT	8	Moderate	Low	6
8	The implications of EU Exit potentially affecting the availability of Council's resources to deliver services which may impact on communities.	Brexit Lead Officer	16	Likely	Medium	12
9	The Council is hit by a Cyber-attack that compromises the confidentiality, integrity and availability of information and systems.	CMT	16	Moderate	High	12
10	Failure to comply with the housing regulatory standards applicable to local authorities.	Sandra Watson, Service Director, Housing Compliance	20	Moderate	Medium	9