

Title of Report: Corporate Risk Management 2023/24 – Quarter 3 Update

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

Purpose of the Report

1. This report updates the Committee on Corporate Risk Management developments during the period 1 October 2023 to 31 December 2023.

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.
3. The report covers progress against the Corporate Risk Management Developmental Objectives for 2023/24, as cited in the Corporate Risk Management Annual Report 2022/23, 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 third quarter 2023/24. The current Strategic Risk Register is attached for information at Appendix 1.

Operational Risk Management

6. Operational risks identified within the Council are recorded on the operational risk register. Work continues to ensure operational risk management activity within services continues to align with service 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 and correct information to inform the management response.

8. To further strengthen mitigation of the risks of a successful cyber-attack, several IT related policies have been drafted by the Cyber Security Group.
9. During the quarter the Corporate Risk Officer and colleagues from IT Services have developed and implemented a series of improvements to the risk management system. The improvements will aid risk owners and risk coordinators with their ongoing operational risk reviews and additional functionality within the system will enable record keeping by Services that is consistent with the latest corporate data retention guidance.

Business Continuity Management

10. In accordance with the Council's Business Continuity Policy all Services are required to continuously assess the risk of their activities being disrupted and to develop cost effective business continuity plans.
11. All Business Impact Assessments have been reviewed bi-annually since the start of the Pandemic in March 2020, with the most recent reviews requested in November 2023, with the next review planned for action by Services during May 2024. This exercise uses the agreed corporate Business Continuity Framework to allow Services to assess which activities might require additional support to strengthen resilience and estimate the officer numbers and skills that might be needed as we move between the spring and summer months and those of autumn and winter.
12. Business Continuity Plans are revised accordingly to mitigate and, as far as possible, update key personnel and shape the response to 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.
13. Quarterly audit and risk reports are provided to Group Management Teams to highlight the critical activities for which services have developed continuity plans.

Corporate Risk and Resilience Group

14. The Corporate Risk and Resilience Group last met 16 January 2024. The following items were considered:
 - Review of recent Business Impact Assessment and Business Continuity Plan seasonal refresh.
 - Updates from Groups and Services.

Recommendation

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

Appendix 1

SR Ref	Risk	Risk owner	Gross Risk Rating Pre-mitigation	Current risk post mitigation		
				Likelihood	Impact	Risk Rating
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	Red 16	Moderate 3	High 4	Amber 12
2	Failure to manage demand and expectations could result in the Council not achieving its Thrive agenda.	CMT	Red 16	Moderate 3	Medium 3	Amber 9
3	Failure to safeguard vulnerable children and adults	CMT	Red 16	Unlikely 2	High 4	Amber 8
4	Failure to attract inward investment and deliver sustainable economic growth.	CMT	Amber 12	Moderate 3	Medium 3	Amber 9
5	Non-compliance with statutory requirements resulting in prosecution and subsequent penalties.	CMT	Amber 12	Moderate 3	Medium 3	Amber 9
6	Failure to address workforce planning and resourcing requirements impacting on service delivery.	CMT	Red 16	Moderate 3	Low 2	Green 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	Amber 8	Moderate 3	Low 2	Green 6
8	The implications of EU Exit potentially affecting the availability of Council's resources to deliver services which may impact on communities.	CMT	Red 16	Likely 4	Medium 3	Amber 12
9	The Council is hit by a Cyber-attack that compromises the confidentiality, integrity and availability of information and systems.	CMT	Red 16	Moderate 3	High 4	Amber 12
10	Failure to comply with the housing regulatory standards applicable to Local Authorities.	Sandra Watson, Service Director, Housing Compliance	Red 20	Moderate 3	Medium 3	Amber 9

Strategic Risk Map

Impact	Extreme (7)				
	High (4)	• (SR3)	• (SR1) • (SR9)		
	Medium (3)		• (SR2) • (SR4) • (SR5) • (SR10)	• (SR8)	
	Low (2)		• (SR6) • (SR7)		
		Unlikely (2)	Moderate (3)	Likely (4)	Almost Certain (5)
Likelihood					

SR	Risk description	Risk owner
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
2	Failure to manage demand and expectations could result in the Council not achieving its Thrive agenda.	CMT
3	Failure to safeguard vulnerable children and adults	CMT
4	Failure to attract inward investment and deliver sustainable economic growth.	CMT
5	Non-compliance with statutory requirements resulting in prosecution and subsequent penalties.	CMT
6	Failure to address workforce planning and resourcing requirements impacting on service delivery.	CMT
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	The implications of EU Exit potentially affecting the availability of Council's resources to deliver services which may impact on communities.	CMT
9	The Council is hit by a Cyber-attack that compromises the confidentiality, integrity and availability of information and systems.	CMT
10	Failure to comply with the housing regulatory standards applicable to Local Authorities.	Sandra Watson, Service Director, Housing Compliance