

Title of Report: Corporate Risk Management 2023/24 - Quarter 4 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 January 2024 to 31 March 2024.

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. 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 fourth 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. Digital technologies, devices and media have brought great benefits and offer enormous opportunities but their use also exposes organisations to significant corporate and operational risks.
8. To further strengthen mitigation of the risks associated with the rapidly changing IT risks landscape, the Council's Cyber Security Group have been working on the development of a new IT Security Policy and associated policies for the past 18 months. The Cabinet, at its meeting on 19 March 2024, recommended to Council the approval of the new Information Security Framework and associated IT security policies. The main IT Security Policy and eight sub policies relating to specific activities or functions within the council which involve risk. The sub policies are as follows:

- Acceptable Use Policy
- Personnel Security Policy
- Remote working Security Policy

- Email Policy
- SMS Policy
- Social Media Policy
- IT Asset Management Policy
- Information Classification Policy

9. The Corporate Risk Officer and colleagues from IT Services have developed and implemented a series of improvements to the risk management system and are exploring further improvements to make the system more intuitive and user friendly. The improvements aim to assist risk owners and risk coordinators with their ongoing operational risk reviews whilst enabling 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 as we move from autumn / winter into spring / summer.

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 April 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.

Contact: Craig Oakes Ext. 3711

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
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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