

Title of Report: Corporate Risk Management 2021/22 - Quarter 1 Update

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

Purpose of the Report

1. This report updates the Committee on Corporate Risk Management during the period 1 April 2021 to 30 June 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 first 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. Where these could not be provided by redeployment from within the Service or Group, redeployment of officers would be sought from Services that had either been stood down due to COVID or could be reduced in the short term without significant impact.
11. Quarterly audit and risk reports are provided to Group Management Teams to highlight the activities for which services have developed continuity plans.

Recommendation

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

Strategic Risk Register as at 30 June 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 |