



REPORT TO:	AUDIT AND GOVERNANCE COMMITTEE
DATE:	13 TH MARCH 2023
SUBJECT:	RISK MANAGEMENT REPORT
PURPOSE:	TO PROVIDE AN UPDATE ON RISK MANAGEMENT
KEY DECISION:	NO
PORTFOLIO HOLDER:	COUNCILLOR NOBLE, PORTFOLIO HOLDER FOR FINANCE
REPORT OF:	JOHN MEDLER, ASSISTANT DIRECTOR – GOVERNANCE
REPORT AUTHOR:	SUZANNE ROLFE, GROUP MANAGER - INSIGHTS & TRANSFORMATION
WARD(S) AFFECTED:	ALL
EXEMPT REPORT?	NO

SUMMARY

This report provides an overview of risk management in the authority.

RECOMMENDATIONS

That the Committee considers and notes the report.

REASONS FOR RECOMMENDATIONS

The Audit and Governance Committee is responsible for overseeing the effectiveness of the Council's risk management arrangements.

OTHER OPTIONS CONSIDERED

N/A

1. RISK MANAGEMENT

- 1.1 The Audit & Governance Committee is responsible for monitoring the effective development and operation of risk management in the Council according to its terms of reference.
- 1.2 A shared approach to risk management has been agreed across the Partnership with common formatting but not content. A draft Risk Management Framework for the Partnership is currently in development and will come to Committee for discussion and review following input from internal audit.
- 1.3 Individual strategic and operational risk registers are in place for each of the Councils to reflect individual circumstances, locality and reporting. Strategic risks are high level, relating to corporate priorities. Operational risks are service specific.
- 1.4 In addition, a strategic risk register for the Partnership is under development for those risks which are common to all three Councils and where there is a synergy across all.
- 1.5 A quarterly risk clinic is held with Assistant Directors to sit alongside the established performance clinic.

2. STRATEGIC RISK REGISTER

- 2.1 The strategic risk register has been reviewed against Boston's Corporate Strategy:
 - Priority 1 – People Focused (Boston – Live, Work and Visit)
 - Priority 2 - Future Prosperity, Regeneration and Inclusive Growth
 - Priority 3 - Environmental Awareness and Accountability
 - Priority 4 - Delivering high quality services and maximising use of technology to support residents
- 2.2 The strategic risk register has been reviewed and updated at the quarterly risk clinic and by Senior Leadership Team.
- 2.3 Summary of changes since last report, covering both Q2 and Q3.
 - 2.3.1 Environmental crime (5): This has moved from a strategic to operational risk in recognition of the reduction in fly tipping and the implementation of the environmental crime contract across the Partnership; operational risk to focus on resource and delivery
 - 2.3.2 Service delivery (7): This has moved from a strategic to operational risk; specific risks around cyber and infrastructure which were previously reported under this heading have been added separately below
 - 2.3.3 Capital Programme (10); Externally Funded Schemes (11); General Fund Assets (12): Identified as new strategic risks following review across the Partnership
 - 2.3.4 Cyber Incident (13); Technology infrastructure failure (14): identified as strategic risks in their own right (previously under the service delivery risk, see 2.3.2)

2.4 Summary of strategic risks as at Q3 (full details in Appendix A)

Risk	Risk score
Economic hardship	High (12)
Health	Medium (9)
Local economy	Medium (9)
Sustainability	Medium (6)
Budget	High (15)
Civil contingency risks	Medium (8)
Infrastructure risks	Medium (8)
Capital Programme	Medium (6)
Externally Funded Schemes	Medium (8)
General Fund Assets	Low (4)
Cyber Incident	High (15)
Technology infrastructure failure	High (10)

3. CONCLUSION

3.1 The risk management arrangements are designed to provide the Council with a clearer and fuller understanding of the key risks facing the organisation and how these are being managed. They enable the Council to pro-actively manage its risks taking into account the agreed risk appetite level.

EXPECTED BENEFITS TO THE PARTNERSHIP

The Strategic Risk Register has been reviewed and updated to reflect the strategic risks faced by the organisation. Aligning the format and reporting process for risks across the three sovereign councils will ensure that risk management continues to be efficient and effective across the Partnership. The additional risk register for Partnership risks will ensure that these are monitored and managed appropriately where there is synergy across the three councils.

IMPLICATIONS

SOUTH AND EAST LINCOLNSHIRE COUNCIL'S PARTNERSHIP

We are currently identifying strategic risks which are common across the Partnership. This will streamline the monitoring and management of shared partnership-wide risks where there is synergy across all.

We are also working on identifying risks to the Partnership itself, which will be monitored and reported in addition to the Council-specific and partnership-wide registers.

CORPORATE PRIORITIES

Effective risk management arrangements support all of the corporate priorities

STAFFING

None

CONSTITUTIONAL AND LEGAL IMPLICATIONS

None

DATA PROTECTION

None

FINANCIAL

None

RISK MANAGEMENT

Whole report

STAKEHOLDER / CONSULTATION / TIMESCALES

No consultation undertaken

REPUTATION

None

CONTRACTS

None

CRIME AND DISORDER

None

EQUALITY AND DIVERSITY/ HUMAN RIGHTS/ SAFEGUARDING

None

HEALTH AND WELL BEING

None

CLIMATE CHANGE AND ENVIRONMENTAL IMPLICATIONS

None

ACRONYMS

None

APPENDICES

Appendices are listed below and attached to the back of the report: -

APPENDIX A	Q3 strategic risks
APPENDIX B	Q2 strategic risks

BACKGROUND PAPERS

No background papers as defined in Section 100D of the Local Government Act 1972 were used in the production of this report.

CHRONOLOGICAL HISTORY OF THIS REPORT

This report has not been previously considered by a Council body.

REPORT APPROVAL

Report author:	Suzanne Rolfe, Group Manager – Insights & Transformation suzanne.rolfe@boston.gov.uk
Signed off by:	John Medler, Assistant Director – Governance John.medler@e-lindsey.gov.uk
Approved for publication:	Councillor Noble, portfolio holder for Finance