



REPORT TO:	AUDIT AND GOVERNANCE COMMITTEE
DATE:	25 TH SEPTEMBER 2023
SUBJECT:	RISK MANAGEMENT REPORT
PURPOSE:	TO PROVIDE AN UPDATE ON RISK MANAGEMENT
KEY DECISION:	NO
PORTFOLIO HOLDER:	COUNCILLOR DORRIAN, LEADER OF THE COUNCIL
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 revised Risk Management Policy has been drafted for the Partnership. This will be reviewed by Portfolio Holders and Senior Leadership Team in the first instance. It will then be reported to Audit & Governance Committee for comment prior to Cabinet and Full Council for approval.
- 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. 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.
- 1.4 A quarterly corporate governance clinic is held with Assistant Directors to review risks.

2. STRATEGIC RISK REGISTER

- 2.1 The strategic risk register was developed by reviewing the priorities in 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 for Q1. Two new risks have been identified across the Partnership relating to the implementation of the Environment Act and the introduction of Extended Producer Responsibility. These are shown in bold in Appendix A.
- 2.3 The table below provides a summary of strategic risks as at Q1 (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)
General Fund Assets	Low (4)
Cyber Incident	High (15)
Technology infrastructure failure	High (10)
Implementation of the Environment Act	High (15)
Introduction of Extended Producer Responsibility	Medium (9)

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. Strategic and operational risks continue to be managed in accordance with the Risk Management Framework.

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

SLT: Senior Leadership Team

APPENDICES

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

APPENDIX A

Q1 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 REPORTThe Q1 strategic risks were reported to Cabinet on 20th September 2023.**REPORT APPROVAL**

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