

Cheltenham Borough Council

Audit, Compliance and Governance Committee – 22 October 2024

Corporate Risk Register

Accountable member:

Rowena Hay, Leader

Accountable officer:

Gareth Edmundson, Chief Executive

Ward(s) affected:

N/A

Key Decision: No

Executive summary:

- This report provides a copy of the Council's Corporate Risk Register detailing strategic risks.
- The Corporate Risk Register summarises the Council's corporate risk profile as at the 30 September 2024.
- The register now includes detailed strategic housing risks.
- The register has been prepared in consultation with Risk Managers and the Senior Leadership Team.
- The register details risk movements since the last formal report enabling Members to track CBC risk profile.
- A full review of the risk management policy has been undertaken and is contained in a separate report.

Recommendations:

The Audit, Compliance & Governance Committee note the Corporate Risk Register.

1. Implications

1.1 Financial, Property and Asset implications

Poor risk management can lead to increased financial costs therefore it is important to have a robust processes in place.

Signed off by: gemma.bell@cheltenham.gov.uk.

1.2 Legal implications

There are no specific legal implications arising from the report and its recommendations. It is fundamental that the Council has an embedded risk management framework which considers the identification,

recording, and management of risks to the Council in the delivery of its priorities and objectives.

Signed off by: One Legal

1.3 Environmental and climate change implications

Leveraging the requirement to complete Climate Impact Assessment to support decision making, alongside a Risk Management programme specifically for climate and flood risks, an effective risk management framework across projects, programmes and business activities will ensure that climate implications are considered, relevant risks highlighted, and mitigations controls put in place.

Signed off by: maizy.mccann@cheltenham.gov.uk

1.4 Corporate Plan Priorities

This report contributes to all Corporate Plan Priorities as effective risk management is essential to the achievement of CBC plan.

Signed off by: ann.wolstencroft@cheltenham.gov.uk

1.5 Equality, Diversity and Inclusion Implications

Good risk management across all aspects of our business should ensure Equality, Diversity and Inclusion implications are considered and any risks are highlighted, and controls put in place to mitigate.

2 Background

- 2.1 Risk management is the culture, process and structures that are directed towards effective management of potential opportunities and threats to the Council achieving its priorities and objectives.
- 2.2 The Council has a Risk Management Policy, reviewed in October 2024, that sets out the approach to risk management including the roles and responsibilities for Officers and elected Members. The policy also details the processes in place to manage risks at corporate, operational and project levels.
- 2.3 The Council's Leadership Team considers and reviews strategic risks on a monthly basis and the register is made available to Cabinet. All reports to Council / Cabinet / Committees contain risk implications. All risk discussions / assessments include the development of risk mitigation actions designed to reduce the likelihood and / or consequences of adverse events occurring. By understanding and managing risks, the council can be more confident about undertaking ventures which produce larger gains.
- 2.4 This corporate risk report is provided to Audit, Compliance and Governance Committee detailing strategic council risks. This report covers strategic risks as well as a narrative outlining changes to risks and scores since the last formal report. This allows the committee to track movements in our risk profile.
- 2.5 The risk register covers:
- Risk status.
 - Risk details.
 - Risk manager.
 - Current risk score (impact & probability).
 - Change from last assessment.

- Risk action.
- Details of any controls in place to mitigate the risk.
- Risk review date.

2.6 It is important to note that key projects / programmes will each have an individual risk register containing many risks. To keep track of these from a corporate perspective we have for each of these projects and programmes only one risk on the corporate risk register. For example, the Golden Valley development has a full risk register presented to Programme Board but one risk on the corporate risk register. The score of the risk on the corporate register will always reflect the highest score from the GV risk register. This enables us to monitor the highest risks we have across the organisation.

2.7 Whilst the register in appendix 1 contains a full list of our corporate risks for this report I have highlighted our top 6 risks. At the present time our top 6 risks are:

- Medium Term Financial Strategy - If CBC is unable to come up with long term solutions which bridge the gap in the medium-term financial strategy, then it will find it increasingly difficult to prepare revenue budgets year on year without making unplanned cuts in service provision.
- Prioritisation of Capital Resources – If CBC are unable to prioritise medium term projects and programmes which require significant capital financing, then it will increasingly have to rely of borrowing to fund service investments increasing the pressure on our revenue budgets to fund repayments.
- Swindon Road Depot - If CBC do not replace/redevelop the depot then the EA may not grant permits, we may be unable to mitigate residual waste transfer risks and costs and be unable to support our net zero aspirations.
- Golden Valley Development - If the development does not achieve the anticipated investment return to CBC then the project objectives will not be met. (The anticipated investment return to CBC is set out in the Financial Model & draft Business Case in the Development Agreement.)
- Stock Condition Data - If there is a failure to maintain accurate, in date stock condition data then this means we are unable to plan spend, evidence investment, demonstrate accurate decent homes data and provide assurance that tenant's homes are safe.
- Housing Regulatory & Legal Requirements - If we fail to meet regulatory and legal requirements, specifically the Regulator for Social Housing consumer standards and the Housing Ombudsman Complaints Handling Code then this may result in intervention and reputational damage.

2.8 Since the last report there have been some movements in our strategic risks and these changes are shown on the register.

2.9 Since the last report six new corporate risks have been added to our register all relating to our housing provision and are:

- Stock Condition Data - If there is a failure to maintain accurate, in date stock condition data then this means we are unable to plan spend, evidence investment, demonstrate accurate decent homes data and provide assurance that tenant's homes are safe.
- Housing Regulatory & Legal Requirements - If we fail to meet regulatory and legal requirements, specifically the Regulator for Social Housing consumer standards and the Housing Ombudsman Complaints Handling Code then this may result in intervention and reputational damage.
- Property Compliance - If there is ineffective management of property compliance then this will result in regulator intervention and reputational damage.

- Housing Properties Health & Safety - If we do not manage health and safety management of our housing properties, then we may be putting tenant at risk of serious injury or death.
- Tenant Satisfaction - If there is a decline in the quality of services delivered to tenant's, then this may result in reduction in customer satisfaction (evidenced through the TSMs).
- Housing Revenue Account - If the housing revenue account becomes unviable then this may result in the council being unable to fund service delivery, investment in existing homes and the delivery of new housing.

2.10 Since the last report 8 corporate risk has been removed and these are:

- MX – due to building being completed.
- Petersfield Hub - this is now being actively managed as an issue due to the removal of COF funding so we will need to review the scheme.
- CBH Transfer – due to transfer being completed.
- Afghan Resettlement, Asylum Seekers, Homes for Ukraine Scheme, GARAS Support and Rough Sleeping have been removed as they are now being dealt with as operational risks.

2.11 Report to note only.

3 Alternative options considered

3.1 None

4 Consultation and feedback

4.1 Risk Managers and Leadership Team.

5 Key risks

5.1 None.

Report author:

Ann Wolstencroft, Head of Corporate Services

Appendices:

i. Risk Register

Background information:

N/A