

# **Report to the Audit and Governance Committee**



**Epping Forest  
District Council**

**Date of meeting:** 17 January 2022

**Portfolio:** Leader of the Council  
**Subject:** Risk Management  
**Responsible Officer:** Andrew Small (01992 564278)  
**Democratic Services:** Laura Kirman (01992 564243)

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## **Recommendations/Decisions Required:**

- (1) To review the current risk register and consider whether there are any new or emerging risks that are not on the current Corporate Risk Register that should be referred to the officer Risk Management Group**

## **Executive Summary:**

This report gives the Audit and Governance Committee the opportunity to comment on and suggest new risks for inclusion on the Corporate risk register or changes to the scoring of existing risks.

## **Reasons for Proposed Decision:**

To enhance the Council's risk management framework.

## **Other Options for Action:**

None. Formal responsibility for making recommendations to Cabinet on risk management issues lies with the Audit and Governance Committee. Members may suggest new risks for inclusion or changes to the scoring of existing risks.

## **Report:**

### Corporate Risk Register

- The corporate risk register was reviewed by the Council's Officer Risk Management Group at their meeting of 14 December 2021 where all risks were reviewed and challenged and was subsequently presented to the Corporate Governance Group for further review and challenge. The narrative for each risk has been reviewed and, where appropriate, updated to reflect the current situation (appendix 1).
- The table below outlines the direction of travel for each risk since it was updated for the November 2021 Audit and Governance Committee, with a brief commentary supporting each risk.
- The Housing Capital Finance risk has been reduced to D2 as there are now several controls in place meaning this risk can be managed at service level in future and will no longer feature on the corporate risk register.

No	Risk	Residual risk rating (i.e. after controls)		Commentary
		Nov 2021	Jan 2022	
1	Local Plan	<b>B1</b>	<b>B1</b>	The consultation has ended, and comments submitted to the Inspector. The Council is awaiting receipt of the Inspector's report outlining their final recommendations, following which the Main Modifications can be made and the Plan formally adopted by the Council.
2	Increase in demand for financial and housing assistance (previously Welfare Reform)	<b>C2</b>	<b>C2</b>	The financial strain that Covid-19 has placed on individuals and families, which may lead to an increased demand for financial and housing assistance, is being kept under review. The effect of the new Omicron variant due to its high transmissibility and its possible resistance to current vaccines are unknown.
3	Financial Resilience	<b>C1</b>	<b>C1</b>	Cabinet considered the draft budget for 2022/23 at their 6 <sup>th</sup> December 2021 meeting. They also approved the updated Medium Term Financial Plan although the government's settlement agreement had yet to be published. This, with a number of other assumptions and estimates still needs to be worked through.
4	Economic Development	<b>C2</b>	<b>C2</b>	A completely new action plan has been developed to take account of Covid 19 which includes a range of options for the recovery of local high streets. Waiting to see the effect of the Omicron variant.
5	Data/information	<b>C2</b>	<b>C2</b>	The Information Governance (IG) workplan continues to be implemented and is regularly monitored. Messages from the IG Group are presented to the Information Asset Owners Group for Service Managers to disseminate to their teams. Data protection and cybersecurity training has been rolled out.
6	Business continuity	<b>C2</b>	<b>C2</b>	Improvement of current business continuity (BC)

				management arrangements is in progress and a review and update of BC plans is being coordinated. Testing has been carried out on several elements of the disaster recovery solution and more are planned.
7	Housing capital finance	<b>C2</b>	<b>D2</b>	The HRA Business Plan has been reviewed and updated and remains stable. There is now clear visibility around capital funding. The Right to Buy receipts policy has been approved by Cabinet and the position is being monitored by the House Building Cabinet Committee. A Consultant has been engaged to utilise the receipts before the deadline and several contingency options are available.
8	Cyber security	<b>C2</b>	<b>C2</b>	This risk continues to be actively managed through monitoring and installing system updates and patches. Latest windows major upgrade is underway and on track. All data back-up is now directly to the cloud. The roll out of training and eLearning described under risk 5 (data/information) will support the people element of this risk.
9	Delays in issuing Planning Permissions	<b>C2</b>	<b>C2</b>	Planning permissions are being released although some are taking longer than initially anticipated. Some applications are going back through Planning Committee and completion of several legal agreements by developers is also causing delays. The financial risk has reduced but a reputational risk remains.
10	Climate emergency	<b>B2</b>	<b>B2</b>	The action plan is being developed based on comments and feedback from the consultation. A report of the findings will go to Overview and Scrutiny in January 2022 and a draft Climate Action Plan is on course to be submitted for Cabinet sign off by the end of March 2022.

4. Members are asked to consider the attached updated Corporate Risk Register

(Appendix 1) and whether the risks listed are scored appropriately and whether there are any additional risks that should be included. Appendix 2 sets out Council's risk assessment matrix and is used to determine individual risk scorings.

**Resource Implications:**

Within the report

**Legal and Governance Implications:**

The Corporate Risk Register is an important part of the Council's overall governance arrangements and that is why this Committee considers it on a regular basis.

**Safer, Cleaner and Greener Implications:**

None

**Consultation Undertaken:**

The Risk Management Group and Leadership Team were involved in the process.

**Background Papers:**

CIPFA audit committees – practical guidance for Local Authorities and Police 2018 edition

**Risk Management:**

If the Corporate Risk Register was not regularly reviewed and updated a risk that threatened the achievement of corporate objectives might either not be managed or be managed inappropriately. In addition, new or emerging risks are not considering which could threaten achievement of the Council's corporate objectives.

**Equality Analysis:**

The Equality Act 2010 requires that the Public Sector Equality Duty is actively applied in decision-making. This means that the equality information provided to accompany this report is essential reading for all members involved in the consideration of this report. The equality information is provided as appendix 3 to the report.