

Report to the Audit and Governance Committee



**Epping Forest
District Council**

Report reference:

Date of meeting: 13 February 2023

Portfolio: Leader of the Council

Subject: Risk Management

Responsible Officer: Andrew Small (01992 564278)

Democratic Services: Laura Kirman (01992 564243)

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

1. The corporate risk register was considered by the Council's Officer Risk Management Group at their meeting of 5 January 2023 where all risks were reviewed and challenged.
2. Three risks (risks 2, 9 and 11) have been renamed to reflect the risk to the Council more accurately.
3. Risk 3 (Financial Resilience) has been reduced to C1 following the achievement of budget reductions in balancing the draft budget for 2023/24.
4. The Council is continuing to closely monitor risk 2 (Increase in demand for housing assistance) although concluded that no change to the risk score is required at this stage.
5. The risk register was subsequently presented to the Corporate Governance Group (which includes the Chief Executive and the Section 151 Officer in its membership) for further

review and challenge. The narrative for each risk has been reviewed and, where appropriate, updated to reflect the current situation (appendix 1).

6. The table below outlines the direction of travel for each risk since it was updated for the November 2022 Audit and Governance Committee, with a brief commentary supporting each risk.

No	Risk	Residual risk rating (i.e. after controls)		Commentary
		November 2022	January 2023	
1	Local Plan	B1	B1	Awaiting the Inspector's timetable for any further changes and their final report, following which the Plan can be formally adopted by the Council.
2	Increase in demand for housing assistance (formerly increase in demand for financial and housing assistance)	B2	B2	Monitoring closely as the cost of living continues to rise. Monthly tracking for early identification of spikes in demand.
3	Financial Resilience	B1	C1	Following the achievement of budget reductions of £4.3 million in balancing the draft budget for 2023/24, the risk has been downgraded to C1, although continuing to monitor closely.
4	Economic Development	C2	C2	UK Shared Prosperity Fund year 2 delivery plan is in preparation. Continue to develop and secure opportunities from the visitor economy to support high streets and local businesses.
5	Data/information breach	C2	C2	A designated Data Protection Officer is in post and a system for data breach and subject access request monitoring is in place. Work programme monitored by the officer Information Governance Group.
6	Business continuity	C2	C2	Work is in progress to review the corporate business continuity (BC) plan and supporting departmental BC plans and business impact assessments
7	Cyber security	B2	B2	IT Security Officer is continually monitoring the situation and potential risks. Controls in systems have been strengthened in response to

				specific occurrences.
8	Delays in issuing Planning Permissions	C2	D3	The backlog has been cleared except for a small number awaiting the applicant to sign s.106 agreements. This risk will no longer feature on the corporate risk register now it has a 'green' rating
9	Failure to achieve carbon emissions targets (formerly climate emergency)	B2	B2	The Climate Action Plan is being reviewed to identify priority actions. Specific climate work to be scoped and mapped.
10	Waste Management	B2	B2	Market engagement meetings with waste contractors have taken place to determine their interest. Procurement documents to go to market in February 2023. A feasibility report completed for a Council owned waste depot.
11	Failure to achieve regulatory/legal regulations (formerly non-compliance with statutory health & safety regulations)	A1	A1	Spreadsheets of compliance checks undertaken are maintained for each of the 'big six' (gas, electrical, fire, asbestos, legionella, lifting operations and lifting equipment regulations). A dashboard to provide up to date visibility and tracking their status is being implemented.

7. 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 considered 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.