

Public Report with Exempt Appendices  
Audit Committee

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**Committee Name and Date of Committee Meeting**

Audit Committee – 11 January 2022

**Report Title**

Corporate Strategic Risk Register

**Is this a Key Decision and has it been included on the Forward Plan?**

No

**Strategic Director Approving Submission of the Report**

Jo Brown, Assistant Chief Executive

**Report Author(s)**

Simon Dennis (*Acting Head of Policy, Performance and Intelligence*)

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**Ward(s) Affected**

Borough-Wide

**Report Summary**

This report forms part of the Audit Committee's remit to consider the corporate strategic risk register regularly. The report summarises the current risk register and provides a short summary of our risk management arrangements.

**Recommendations**

1. **The Audit Committee is asked to consider and note the update and make any comments as necessary.**

**List of Appendices Included**

Appendix 1 – Corporate strategic risk register - 30<sup>th</sup> November 2021

**Background Papers**

Report to Audit Committee; 30<sup>th</sup> November 2021 (Risk Management Strategy and Policy)

Report to Audit Committee; 29<sup>th</sup> July 2021 (Corporate Strategic Risk Register)

Report to Audit Committee; 22<sup>nd</sup> June 2021 (Risk Management Annual Summary 2020/2021)

**Consideration by any other Council Committee, Scrutiny or Advisory Panel**

See above, the corporate strategic risk register has previously been considered by Audit Committee.

**Council Approval Required**

No

**Exempt from the Press and Public**

Yes.

*An exemption is sought for Appendix 1 under Paragraph 3 (Information relating to the financial or business affairs of any particular person (including the authority holding that information)) of Part I of Schedule 12A of the Local Government Act 1972 is requested, as this report contains information that refers to the affairs of third parties.*

*It is considered that the public interest in maintaining the exemption would outweigh the public interest in disclosing the information because failure to do so may result in disclosure of information about the financial or business affairs of Council suppliers and partners.*

# Corporate Strategic Risk Register

## 1. Background

- 1.1 The Council's ongoing response to the COVID-19 pandemic has seen risk management play a vital role and this continues to be the case. The changes required to our processes have been reported to the Committee previously but, at the time of writing, our overall corporate risk management arrangements have now broadly returned to normal.
- 1.2 This report summarises the current arrangements and presents the current corporate strategic risk register which has recently been considered by Strategic Leadership Team (SLT).

## 2. Overall Arrangements

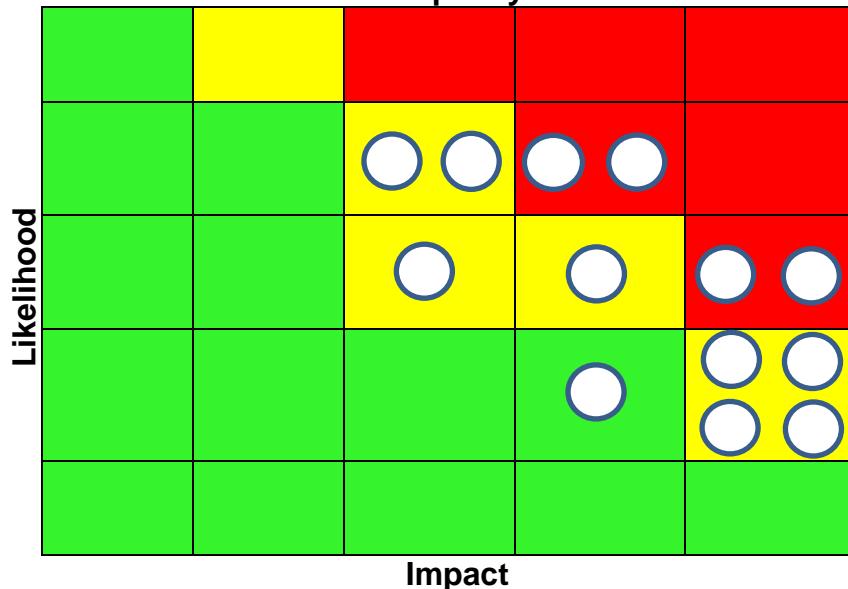
- 2.1 The Council's Risk Management Policy and Guide states that risk management is the responsibility of all Council officers. As well as the key responsibilities in the policy, the Council has a group of Risk Champions, each of whom leads on risk for their Strategic Director. The Risk Champions, Assistant Chief Executive and the Corporate Improvement and Risk Manager form the Risk Champions Group. This group is responsible for co-ordinating risk management across the Council in normal circumstances.
- 2.2 The corporate strategic risk register has been completed following reviews of individual risks by Directorate Leadership Teams (DLTs). Every risk on the register is owned by a member of SLT and appears on their Directorate's risk register.
- 2.3 The strategic risk register has been formally reviewed by SLT both at joint SLT/AD performance management meetings and at separate SLT meetings. These meeting will continue to review the corporate strategic risk register every three months.
- 2.4 The register is also reported regularly to the Audit Committee alongside the annual "Deep Dives" of individual Directorate risk registers. Additionally, the Corporate Improvement and Risk Manager, through the Risk Champions, ensures updates are obtained from all risk owners, reviews each update, and draws attention to issues or missing updates.
- 2.5 There are 3 categories of risk Red, Amber, Green (RAG) representing varying degrees of exposure. Each category contains a range of risk scores and the table overleaf shows how the RAG rating and score are derived.

LIKELIHOOD (A)	Almost Certain 5	5	10	15	20	25
	Probable / Likely 4	4	8	12	16	20
	Possible 3	3	6	9	12	15
	Unlikely 2	2	4	6	8	10
	Very unlikely / Rare 1	1	2	3	4	5
		Insignificant / Negligible 1	Minor 2	Moderate 3	Major 4	Critical or Catastrophic 5
	IMPACT (B)					

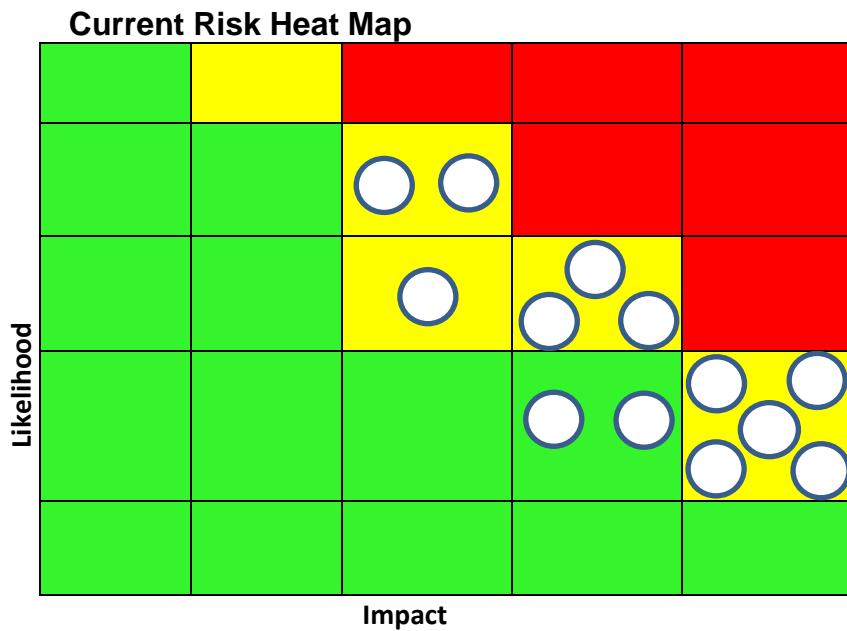
### 3. Corporate Strategic Risk Register

- 3.1 The Audit Committee's receives two reports a year on the overall status of the Council's strategic risks. As the Committee will be aware, the corporate strategic risk register (which is attached at Appendix 1) is currently aligned to the Council's current Year Ahead Plan.
- 3.2 The last "heat map" which was reported to the Committee in July 2021 showed the risk profile on the page overleaf:

## Risk Heat Map July 2021



3.3 The current “heat map” for the strategic risks included in this update of the register is shown in the table below:



3.4 The table below shows that the pattern of reducing assessed risk that was in place up until COVID-19 struck, has recommenced. This also reflects the increasing grasp on the key risks that need to be managed at a strategic level. This improvement, inevitably, slowed during the pandemic but the overall track in the last two years is an improving one. Since July 2021, 60% of risks monitored at a strategic level have reduced or been removed, just over 25% have remained stable and just over 15% have increased or are new to the register.

Number	Risk Summary	Jul	Jan	Jul	Dec	Risk Movement (Jul 2020 compared to Dec 2021) ↓ = Risk level reduced ↑ = Risk level increased → = Risk level static
		20	21	21	21	
SLT01	Children's safeguarding	15	15	10	10	↓
SLT03	Tackling family poverty	16	16	16	12	↓
SLT04	Making sustainable improvement in Children's Services	15	15	10	10	↓
SLT07	Influenza pandemic	15	15	15	8	↓
SLT08	Failure to enhance community	12	12	8	8	↓

	cohesion					
SLT09	Confidence in Rotherham	12	12	12	12	→
SLT10	Failure to attract new business and investment	9	9	12	12	↑
SLT11	Risk of lack of effective partnership working	10	10	10	10	→
SLT16	Financial plans and budget gap	15	15	10	10	↓
SLT19	Emergency planning and business continuity	4	-	-	-	↓
SLT22	Mental Capacity Act/DoLs	9	9	9	9	→
SLT27	Property and estate condition surveys	10	10	12	12	↑
SLT 34	Impact of EU trade deal on the economy	-	16	-	-	→
SLT 35	Impact of the COVID pandemic	-	20	15	10	↓
SLT 36	Insufficient resources committed to Carbon Reduction Plan	-	16	16	12	↓

3.5 The Committee will note that since the last update there have been no additions or removals from the strategic risk register. In total, there remain 13 risks on the strategic risk register, up from 12 risks in July 2020.

3.6 The Committee should also be aware that the risk management process was reviewed by Internal Audit in the course of 2021. This review compared our arrangements to the requirements of the relevant International Standard, ISO31000. The review concluded that substantial assurance could be derived from the controls that were in place. This is the highest assurance level possible. A further review will be carried out in 2022.

#### **4.0 Future Developments**

4.1 Once the Council has approved its new Council Plan, the corporate strategic risk register will be updated and aligned with that Plan (it is currently aligned with the Year Ahead Plan). The new version of this risk register is intended to be presented to the Audit Committee in July 2022.

4.2 As reported to the previous Committee meeting in July, work is now in hand to develop a refreshed approach to risk management training. This refreshed approach includes training for members in February 2022, a refresh of our

online training package to be launched later in the year and a re-start of our training for all senior managers.

4.3 Finally, the Committee will be aware that the Council's Risk Management Policy and Guide was reviewed and approved at its November meeting. A further refresh will be carried out in late 2022 and will be presented to this Committee at its November 2022 meeting.

## **5. Options considered and recommended proposal**

5.1 Not applicable.

## **6. Consultation**

6.1 The risks included in this report have been drawn from Directorate Risk Registers.

## **7. Timetable and Accountability for Implementing this Decision**

7.1 Not applicable.

## **8. Financial and Procurement Implications**

8.1 The risks referred to in the table at section 3.4 require ongoing management action. In some cases, additional resources may be necessary to implement the relevant actions or mitigate risks. Any additional costs associated with the management of these risks will be contained within overall budgets or otherwise reported through the monthly financial monitoring arrangements and to Cabinet if appropriate.

## **9. Legal Implications**

9.1 There are no direct legal implications arising from the risk register. Any actions taken by the Council in response to risks identified will consider any specific legal implications.

## **10. Human Resources Implications**

10.1 There are no Human Resources implications associated with the proposals.

## **11. Implications for Children and Young People and Vulnerable Adults**

11.1 The strategic risk register incorporates the CYPS risks that are of significance at a corporate / strategic level.

## **12. Equalities and Human Rights Implications**

12.1 Proposals for addressing individual risks within the register incorporate equalities and human rights considerations where appropriate.

### **13. Implications for Partners and Other Directorates**

13.1 The actions relating to any issues affecting partners are reflected in the risk register and accompanying risk mitigation action plans.

### **14. Risks and Mitigation**

14.1 It is important to review the effectiveness of our approach to capturing, managing, and reporting risks on an ongoing basis. This report sets out how the approach to risk management will be developed over the course of the coming year.

### **15. Accountable Officer:**

Simon Dennis (Acting Head of Policy, Performance and Intelligence)

Approvals Obtained from: -

Jo Brown, (Assistant Chief Executive)

**This report is published on the Council's website**

*Not Applicable – Appendix (Exempt Report)*