Public Report with Exempt Appendices
Audit Committee

Committee Name and Date of Committee Meeting
Audit Committee – 28 July 2026

Report Title
Risk Management Annual Summary 2025-2026 and Corporate Strategic Risk Register Update

Is this a Key Decision and has it been included on the Forward Plan?
No

Strategic Director Approving Submission of the Report
Jane Maxwell, Director of Policy, Strategy and Engagement

Report Author(s)
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Ward(s) Affected
Borough-Wide

Report Summary
This report forms part of the Audit Committee's remit to regularly consider risk management.

The Risk Management Standard, ISO31000, suggests that every organisation produces an annual summary of risk management activity. This is the Council's seventh annual summary of risk management activity.

The report aims to summarise the principal risk management activity that has been carried out in the Council throughout the past financial year. It covers a wider range of topics than the regular report on the Corporate Strategic Risk Register and aims to reflect both the movements in strategic risks that have occurred over the period as well as key elements of the Council's risk management activity throughout the year.

Recommendations

1. The Audit Committee is asked to consider and note the annual summary of risk management activity

2. The Audit Committee is asked to consider and note the updates to the Corporate Strategic Risk Register and make any comments as necessary.

List of Appendices Included

Appendix 1 Full Corporate Strategic Risk Register at 12 June 2026.

Background Papers

Report to Audit Committee; 29 July 2025 (Annual Risk Management Summary 2024-2025)

Report to Audit Committee; 13 January 2026 (Corporate Strategic Risk Register update)

Consideration by any other Council Committee, Scrutiny or Advisory Panel

This paper is not intended to be circulated to other Committees or Panels and is produced solely for the 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.

Risk Management Annual Summary 2025-2026 and Corporate Strategic Risk Register Update

1. Background

1.1 The Council's ongoing risk and assurance aims are to:

- Provide Members and Senior Officers with an understanding of the key risks facing the Council and its communities, and to show how these risks are being effectively mitigated
- Implement and maintain a fluid process for business-as-usual management of risks relevant to our objectives, outcomes, services and assets
- Align reporting mechanisms for finance, risk, audit and performance providing members and senior officers triangulated risk and assurance profiles.

1.2 This report aims to summarise the principal risk management activity that has been carried out within the Council throughout the past financial year. It also summarises the key movements in Strategic Risks that have occurred over the period and updates the Committee on the current risks on the Corporate Strategic Risk Register (CSRR).

2. Risk Management Responsibilities

2.1 The Council's Risk Management Policy and the separate Risk Management Guide both state that risk management is the responsibility of all Council officers. This is further set out in section 4.9 of the Policy where the specific responsibilities of all members and officers are detailed. In this section, all employees are required to:

- Understand risk and their role in managing risks in their daily activities, including the identification and reporting of risks and opportunities
- Support and undertake risk management activities as required
- Attend relevant training courses focussing on risk and risk management.

2.2 As well as the key responsibilities set out in the Policy, the Council has a group of Risk Champions. Each Directorate has at least one Risk Champion who leads on risk for their Strategic Director. The Risk Champions, Director of Policy, Strategy and Engagement and the Policy, Improvement and Risk Manager form the Risk Champions Group. This group is responsible for co-ordinating risk management across the Council.

2.3 Overall strategic responsibility for risk management rests with the Director of Policy, Strategy and Engagement, with day-to-day responsibility delegated to the Policy, Improvement and Risk Manager. The team working on corporate risk management also includes a "Corporate Improvement and Risk Officer". The team's responsibilities are wider than corporate risk management, but the presence of the additional post ensures that there is resilience in the Council's risk management activity.

2.4 Throughout the past year there have been Risk Champions in place for the following Directorates and Services:

- Children’s and Young People’s services
- Regeneration and Environment
- Corporate Services
- Corporate Services (Human Resources)
- Adult Social Care, Housing and Public Health (Housing)
- Adult Social Care, Housing and Public Health (Adult Care)
- Adult Social Care, Housing and Public Health (Public Health)
- Policy, Strategy and Engagement

2.5 In most cases, each Directorate also has a substitute or deputy Risk Champion who can stand in for the primary Risk Champion when required.

2.6 The Risk Champions’ Group meets bi-monthly and has done so consistently over the past twelve months.

3. Training Summary

3.1 Comprehensive training is a fundamental foundation of the Council’s approach to risk management. There are four core elements of the training programme which are:

- An online mandatory training course for all staff which is delivered through the e-learning system
- A mandatory two-hour risk management course for all M2 managers and above. This course is run by the Policy, Improvement and Risk team at least quarterly and is now delivered in both virtual and in person formats to provide the widest amount of flexibility for staff
- A two-day risk management training course which provides more in-depth training and is run each year by an external provider who is accredited by the Institute of Risk Management (IRM). This course is open to all staff but is a requirement for all Risk Champions and their deputies
- Specific training as required – this includes for elected members delivered as part of the member development programme and to Leadership Teams when required.

3.2 23 managers have attended the M2 course run since the last annual report in July 2025. Overall, 383 managers have completed the training since it was relaunched in January 2022 following a pause due to Covid restrictions. It should be noted that the delivery of the M2 manager course was paused in Autumn 2025 following the retirement of the previous Policy, Improvement and Risk Manager. With a new manager now in post, the course content is now being refreshed and is due to restart in August 2026.

3.3 Another session of the two-day IRM accredited course was run in March 2026. Ten staff successfully completed this course and, as a result, have received IRM accreditation following a short assessment and test. Again, the level of take up of this course is very encouraging with almost sixty managers having been accredited since 2022. It is currently intended to run the course again in early 2027.

3.4 As presented in last year’s report, a course for elected members was delivered on the 22 February 2022 and was attended by fifteen members. A recording of this course remains on the member training portal, for members to access when convenient and a further course will be delivered in the future, to enable members to benefit from the training.

3.5 Finally, the online risk management training course for all staff has seen increasing take-up since its relaunch in 2023. This short e-learning tool is required to be completed by all staff within 3 months of joining the Council and staff are also expected to re-complete it once every three years. As at the end of June 2026, 86% of all staff across the Council had completed the course. This can also be broken down by directorate:

- Regeneration and Environment – 85.48%
- Corporate Services – 79.25%
- Policy, Strategy and Engagement – 89.38%
- Children and Young Peoples Services – 88.31%
- Adult Social Care, Housing and Public Health – 87.32%

4. Risk Management Process

4.1 As set out in the Risk Management Policy and Guide, individual Service Management Teams (SMTs) and Directorate Leadership Teams (DLTs) have reviewed their risk registers in line with the Risk Management Policy and Strategy. Typically, teams review their registers every four to twelve weeks depending on the individual meeting cycle and the significance of the risks they are managing. The aim is to achieve best practice through DLTs considering risk at every meeting, but in a way that is proportionate to the risks being faced by the services in question.

4.2 The CSRR has been formally reviewed by the Strategic Leadership Team (SLT), at quarterly meetings. The regular cycle of quarterly reviews has been in place throughout the 2025-26 financial year and remains in place to date.

4.3 The CSRR is also reported regularly to the Audit Committee alongside the annual “deep dives” of Directorate Risk Registers. Additionally, the Policy, 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 risk register updates.

4.4 The programme of Audit Committee risk register reviews for the 2025-26 financial year was completed as planned. A new annual cycle has been established, under which the Audit Committee will review all directorate risk registers at least once during the next 12 months and the CSRR twice within the same period.

4.5 In addition, the Policy, Improvement and Risk Team has facilitated work with a range of services throughout the Council to provide specific support on risk issues.

4.6 Internal Audit’s last review of Corporate Risk Management was completed in March 2024. This review focused on the arrangements in place for risk management in the Council throughout the year and specifically, to review whether:

- Previously agreed actions had been implemented (avoiding exposure of the Council to avoidable risk)
- The Council's Risk Management arrangements reflected the principles of good corporate governance
- Corporate risks were aligned with the new Council Plan.

4.7 Their conclusion was that there was "substantial assurance" that the controls within the Corporate Risk Management system were operating effectively. This is the highest assurance rating achievable and demonstrates that risk management processes continue to operate effectively.

5. Risk Profile for the 2025/2026 year

5.1 The Audit Committee receives reports on the overall status of the Council's strategic risks. The table below is derived from the CSRR's updates at quarterly monitoring points throughout the 2025/26 financial year, including both internal reporting to SLT and external reporting to the Audit Committee. The numbers shown in the table refer to the number of the individual strategic risk recorded on the CSRR. The arrows refer to the movement of risks from the start to the end of the financial year 2025/26.

Number	Risk Summary	Apr 25	Jun 25	Sept 25	Dec 25	Apr 26	Risk Movement (Apr 2025 compared to Apr 2026) ↓ = Risk level reduced, or risk removed ↑= Risk level increased or new risk → = Risk level static
Places are thriving, safe and clean							
SLT08	Failure to enhance community cohesion	10	10	10	10	10	→
SLT45	Highway Structures Inspection Regime	-	-	-	-	15	↑
Residents live well							
SLT03	Failure to deliver the Council Plan due to the pressures generated by the high cost of living	8	8	8	8	8	→
SLT07	Response to a future pandemic	8	8	8	12	8	→
SLT40	Council housing assets do not comply with regulatory standards	9	9	9	9	9	→
SLT41	Impact of the reduction in funding of the Integrated Care Board	-	12	12	12	20	↑
Children and young people achieve							
SLT01	Children’s safeguarding	5	5	5	5	5	→
An economy that works for everyone							
SLT10	Failure to attract new business and investment	12	12	12	12	12	→
SLT37	Failure to manage and deliver regeneration programmes	9	9	9	9	9	→

Number	Risk Summary	Apr 25	Jun 25	Sept 25	Dec 25	Apr 26	Risk Movement (Apr 2025 compared to Apr 2026) ↓ = Risk level reduced, or risk removed ↑= Risk level increased or new risk → = Risk level static
One Council that listens and learns							
SLT36	Insufficient resources committed to Carbon Reduction Plan	9	9	16	16	16	↑
SLT38	Business Continuity - Closure of the Public Switched Telephone Network	8	-	-	-	-	↓
SLT11	Risk of lack of effective partnership working	8	8	8	8	8	→
SLT09	Communications fail to be of sufficient quality	9	9	9	9	9	→
SLT16	Financial plans and budget gap	10	10	10	10	10	→
SLT27	Health and Safety and operational risks from property	12	12	12	12	12	→
SLT42	Maintaining excellence in Health and Safety Service	-	-	9	12	12	↑
SLT43	Maintain skilled and capable Health and Safety workforce.	-	-	9	9	-	N/A
SLT44	Equal Pay Litigation	-	-	-	20	20	↑

5.2 In the chart above, the arrows indicate the movement of risks during the 2025/26 financial year. A summary of these movements, based on the Draft Annual Governance Statement presented to the Audit Committee in June 2026, is set out below:

- At the start of 2025/26, the CSRR comprised of 14 risks, with none assessed as red.
- The total number of strategic risks increased to 16 risks from 14 over the period from April 2025 to April 2026, five risks were added and three were removed following successful management. Of these risks, one was raised and removed within two reporting points (health and safety staffing).
- By the end of 2025/26, four risks on the CSRR were rated as red. Of the four red risks, three relate to new risks that were escalated up to the CSRR during 2025/26 (Equal Pay litigation, Highways structures maintenance and ICB funding/adult social care), while the remaining existing risk that was escalated from amber to red throughout the year related to Net zero target.

5.3 Members will recall that the 2024/25 report showed a slight increase in risk profile throughout the year for the first time in three years. This has continued into 2025/26 and active management throughout the year, has supported the successful management of this profile.

5.4 The following section of this report brings the Audit Committee up to date with the current CSRR position.

6. Corporate Strategic Risk Register at 12 June 2026

6.1 The trend of the strategic risks included in this update of the register is shown in the table below. Movements in this heat map are compared to the risks on the CSRR reported to Audit Committee in January 2026. Since that report was presented, one risk has been removed from the CSRR, and one new risk has been added. The new risk (SLT45) relates to the risks facing the Council associated with the Highway Structures Inspection Regime. The risk that has been removed (SLT43) concerned maintaining a skilled and capable Health and Safety workforce. This risk has been de-escalated from the CSRR following successful recruitment into the team. In total, there remains 16 risks on the CSRR.

6.2 Appendix 1 contains the complete CSRR at 12 June 2026. This detailed version includes information on current mitigations in place and makes clear what mitigations are still to be delivered. The document also sets out the current target level of risk for each risk. This final column is an expression of the Council’s risk appetite for that risk.

Number	Risk Summary	Dec 25	Apr 26	Jun 26	Risk Movement (Apr 2025 compared to Apr 2026) ↓ = Risk level reduced, or risk removed ↑= Risk level increased or new risk → = Risk level static
Places are thriving, safe and clean					
SLT08	Failure to enhance community cohesion	10	10	10	→
SLT45	Highway Structures Inspection Regime	-	15	15	→
Residents live well					
SLT03	Failure to deliver the Council Plan due to the pressures generated by the high cost of living	8	8	8	→
SLT07	Response to a future pandemic	12	8	8	↓
SLT40	Council housing assets do not comply with regulatory standards	9	9	9	→
SLT41	Impact of the reduction in funding of the Integrated Care Board	12	20	15	↑
Children and young people achieve					
SLT01	Children’s safeguarding	5	5	5	→
An economy that works for everyone					
SLT10	Failure to attract new business and investment	12	12	12	→
SLT37	Failure to manage and deliver regeneration programmes	9	9	15	↑
One Council that listens and learns					
SLT36	Insufficient resources committed to Carbon	16	16	16	→

Number	Risk Summary	Dec 25	Apr 26	Jun 26	Risk Movement (Apr 2025 compared to Apr 2026) ↓ = Risk level reduced, or risk removed ↑= Risk level increased or new risk → = Risk level static
	Reduction Plan				
SLT11	Risk of lack of effective partnership working	8	8	8	→
SLT09	Communications fail to be of sufficient quality	9	9	9	→
SLT16	Financial plans and budget gap	10	10	10	→
SLT27	Health and Safety and operational risks from property	12	12	12	→
SLT42	Maintaining excellence in Health and Safety Service	12	12	12	↑
SLT43	Maintain skilled and capable Health and Safety workforce.	9	-	-	↓
SLT44	Equal Pay Litigation	20	20	20	→

7. Future Developments

7.1 With a Policy, Improvement and Risk Manager now in post, the M2 manager training on risk management will be re-started in August 2026. The content of the course will be refreshed in relaunching this support for managers.

7.2 Finally, the Corporate Risk Management Guide will once again be refreshed in the latter part of 2026, with a revised version presented to the Audit Committee for approval at its November meeting.

8. Options considered and recommended proposal

8.1 Not applicable.

9. Consultation

9.1 The risks included in this report have been drawn from Directorate Risk Registers and the Corporate Strategic Risk Register.

10. Timetable and Accountability for Implementing this Decision

10.1 Not applicable.

11. Financial and Procurement Implications

11.1 The risks contained in the table at paragraph 6.2 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.

12. Legal Implications

12.1 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.

13. Human Resources Implications

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

14. Implications for Children and Young People and Vulnerable Adults

14.1 The Strategic Risk Register incorporates the CYPS risks that are of significance at a corporate / strategic level.

15. Equalities and Human Rights Implications

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

16. Implications for Partners and Other Directorates

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

17. Risks and Mitigation

17.1 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.

18. Accountable Officer:

Katie Stead (Policy, Improvement and Risk Manager)

Approvals Obtained from: -

Jane Maxwell (Director of Policy, Strategy and Engagement)

This report is published on the Council's website or can be found at:

Not Applicable for the Appendices – Private Report