

Audit, Risk and Governance Committee
Meeting to be held on Monday, 22 April 2024

Electoral Division affected:
(All Divisions);

Corporate Risk and Opportunity Register - Quarter 1 Update
(Appendices 'A' – 'C' refer)

Contact for further information:

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Brief Summary

This report provides an updated (Quarter 1 2024/25) Corporate Risk and Opportunity Register for the committee to consider and comment on. The register has been refreshed to reflect the council's current operating environment and is presented to this committee to provide a progress update and assurance that the current risk management arrangements are both robust and effective.

An Executive Summary is attached at Appendix 'A' and the updated Corporate Risk and Opportunity Register is attached at Appendix 'B'.

The risk entries for Cyber Security, Oracle Fusion Post Implementation, and Building Schools for the Future contain exempt information, so are provided at Appendix 'C' and included in Part II of the agenda.

Recommendation

The Audit, Risk and Governance Committee is asked to consider, comment on, and approve the Executive Summary and the updated Corporate Risk and Opportunity Register.

Detail

This report provides an updated (Quarter 1 2024/25) Corporate Risk and Opportunity Register together with an Executive Summary for the committee to consider and comment on. The register has been updated to reflect the council's current operating environment and is now presented to committee to provide an update and assurance that the current risk management arrangements are both robust and effective.

In line with the council's Risk Management Framework, the Compliance and Assurance Board review the Corporate Risk and Opportunity Register on a quarterly basis, taking account of the current and predicted internal and external environment in which the county council and its strategic partners operate. The Corporate



Register sets out the 'across the board' risks that could threaten the authority's core business and the way it operates.

Below this are directorate registers which are managed by the council's Executive Directors and identify risks that could threaten day to day activities. Where a new directorate risk has a score of 12 or above, it is referred to the Compliance and Assurance Board for consideration for inclusion on the Corporate Register. However, the Compliance and Assurance Board may decide not to escalate such a risk onto the corporate register and ask that it is managed at an operational level. This may be because the Board think that the risk does not threaten the core business of the organisation or that the score has been over inflated (scores are subjective).

This process was discussed at a previous meeting of the Audit, Risk and Governance Committee. Consequently, the committee asked to be informed of instances when a risk has been considered by the Board. For Quarter 1, the Board considered one new risk relating to the council's inability to deliver major transport infrastructure impacting development and growth, health and social inclusion objectives in published plans, strategies, and programmes (at national, regional, county and district levels). This risk has a score of 16 and a target score of 8 (ongoing). The view of the Executive Director for Growth, Environment, Transport and Health, and subsequently the Board, was that this risk should be managed at an operational level and not escalated onto the corporate register. It is anticipated that further mitigations will be put in place shortly that will reduce the risk score.

In terms of the main points for the Quarter 1 update:

- The risks relating to the Oracle Fusion Data Breach and Mental Health Beds have been removed from the corporate register and will be monitored at directorate level.
- The Risk Confidence Profile RAG rating for the Workforce (CORP2) risk has changed from red to amber as the service is more confident that it will achieve the target score by the target date.
- The risk description for several of the corporate risks has been updated to better reflect the nature of the risk.
- Additional impact assessments regarding reputation and financial loss/impact have been added to the template.
- The recommendation from the External Auditor regarding a direction of travel assessment has been incorporated into the register.

Appendices

Appendices 'A' - 'C' are attached to this report. For clarification they are summarised below and referenced at relevant points within this report.

Appendix	Title
Appendix 'A'	Executive Summary



Appendix 'B'	Corporate Risk and Opportunity Register – Quarter 1 2024/25
Appendix 'C'	Risk entries for Cyber Security, Oracle Fusion Post Implementation, and Building Schools for the Future – contain exempt information and therefore included in Part II of the agenda.

Consultations

N/A

Implications:

This item has the following implications, as indicated:

Risk management

Good governance enables an authority to pursue its vision effectively as well as underpinning that vision with sound arrangements for control and management of risk. An authority must ensure that it has a sound system of internal control which includes effective arrangements for the management of risk. Failure to develop and maintain a Corporate Risk and Opportunity Register means the council would be negligent in its responsibilities for ensuring accountability and the proper conduct of public business.

Local Government (Access to Information) Act 1985 List of Background Papers

Paper	Date	Contact/Tel
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N/A

Reason for inclusion in Part II, if appropriate:

Appendix 'C' to this report is included in Part II of the agenda because it contains exempt information as defined in Paragraphs 3 and 7 of Part 1 of Schedule 12A to the Local Government Act, 1972:

- Information relating to the financial or business affairs of any particular person (including the authority holding that information).
- Information relating to any action taken or to be take in connection with the prevention, investigation or prosecution of crime.

