

Report to the Audit and Governance Committee



**Epping Forest
District Council**

**Date of meeting: 28 November
2022**

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

- The corporate risk register was considered by the Council's Officer Risk Management Group at their meeting of 1 November 2022 where all risks were reviewed and challenged.
- 'Non-compliance with health & safety regulations', with regards to the Council being a social housing landlord, has been added to the risk register. Although this has been classed as the highest risk to the Council (A1), significant work is in progress including the introduction of a dashboard and a robust governance framework, including regular scrutiny by Members, which will bring the risk score down considerably.
- The Council is continuing to closely monitor risk 2 (Increase in demand for financial and housing assistance) and risk 3 (Financial Resilience) although concluded that no change

to the risk scores is required at this stage.

4. Emerging risks discussed include:

- Right to Buy (RTB) receipts: this risk may need to be reintroduced as a corporate risk as there is a possibility of having to repay around £12m (plus interest) RTB receipts if not spent within approximately three years. The Council needs to develop a policy for granting funding to recognised providers.

5. The risk register was subsequently presented to the Corporate Governance Group (which is Chaired by the Section 151 Officer) 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 September 2022 Audit and Governance Committee, with a brief commentary supporting each risk.

No	Risk	Residual risk rating (i.e. after controls)		Commentary
		September 2022	November 2022	
1	Local Plan	B1	B1	Narrative revised to reflect new timescales following going out to consultation on the second main modifications.
2	Increase in demand for financial and housing assistance (previously Welfare Reform)	B2	B2	Updated to reflect Warm Places. Subject to ongoing close monitoring.
3	Financial Resilience	B1	B1	Inflation (including interest rate increases) closely monitored and assessed by the Section 151 Officer.
4	Economic Development	C2	C2	Largely the same. Shared Prosperity funding bid focussing on communities and place, and skills and training has been submitted.
5	Data/information breach	C2	C2	Ensuring all staff have completed GDPR (and cybersecurity) eLearning. Recruiting a dedicated Data Protection Officer to support the Council.
6	Business continuity (BC)	C2	C2	Corporate BC Plan in progress but slipped slightly. Service BC plans will feed into corporate BC plan.
7	Cyber security	C2	B2	Phishing tests and PSN (Public Services Network) compliance testing scheduled. Information Security Policy prepared.

				Increase risk to B2 mainly due to the external environment.
8	Delays in issuing Planning Permissions	C2	C2	Planning applications continue to be reviewed and released as appropriate.
9	Climate emergency	B2	B2	Monitored through the Project Management Office. Climate work to be scoped and mapped.
10	Waste Management	B2	B2	Cabinet report in October 2022 giving approval to go to market for a new contractor. Discussions still ongoing with Biffa.
11	Non-compliance with health & safety regulations	n/a	A1	The Council must comply with the Building Safety Act 2022 and Fire Safety Act 2021. Work to achieve this is in progress.

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 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.