

Chichester District Council

CORPORATE GOVERNANCE & AUDIT COMMITTEE

27 March 2023

Risk Management Update

1. Contacts

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2. Recommendation:

- 2.1. That the Committee notes the updated Strategic Risk Register and the internal controls in place, plus any associated action plans to manage those risks, and raises any issues or concerns.**

3. Background

- 3.1. Under the governance arrangements as set out in the Council's Risk Management Strategy and Policy, the Committee should receive the outcome of the Strategic Risk Group's (SRG) review of the risk registers at least twice a year.
- 3.2. The Committee last received a risk management update report at its meeting of 18 July 2022. It should be noted that the outcome of the SRG meeting held on 18 November 2022, was not reported to the committee on 9 January 2023 due to an oversight.
- 3.3. This report reflects the outcome of the SRG meetings held on 2 March 2023 and any matters arising from the 18 November 2022 meeting.

4. Outcomes to be achieved

- 4.1. The Strategic Risk Register and the high scoring Organisational Risk items that are current, and relevant to the Council and its operation, and that those risks are well managed in accordance with the Council's Risk Management Strategy and Policy.

5. Risk Management Policy and Strategy

- 5.1. The change from quarterly to twice a year, is due to the fact that the risks do not significantly change between each assessment period. Also risk management is embedded within the organisation and the protocols in place are adhered to, especially on significant service risk areas and major projects which are considered regularly by officers in the interim of the formal reviews by the SRG.

6. Update on the Strategic Risk Register

- 6.1. Appendices 1(a) and 1(b) (part 2) show the updated risk register considering the comments and recommendations from SRG.
- 6.2. The risk map below shows the risk numbers and where they currently appear on the heat map for the strategic risk register:

LIKELIHOOD	4 (Almost Certain)		188	147	
	3 (Probable)		9, 97	185	1
	2 (Possible)		148	8, 189	
	1 (Unlikely)				68
		1 (Minor)	2 (Moderate)	3 (Substantial)	4 (Major)
IMPACT					

Key to Risk Numbers:

1 = Financial Resilience, **8** = Skills, Capability/Capacity, **9** = Business Continuity, **68** = Health & Safety, **97** = Cyber Risk across ICT estate, **147** = Southern Gateway Regeneration, **148** = Local Plan, **185** = Increase in Homelessness Service Demand Due to Increased Cost of Living and Ukraine Sponsorship Programme Impact, **188** = Climate Emergency Detailed Action Plan, **189** = Crouchlands Lagoon 3

- 6.3. There are now 10 strategic risks following the latest review by SRG; 7 of which are controlled, whereas the other remaining 3 have controls pending; which is where actions are still in progress to control or mitigate the risk.
- 6.4. This half year the following risks' scores have changed on the existing risks:
- **CRR 08 – Skills, Capability/Capacity** – The risk score has decreased from 9 to 6, as the likelihood has reduced from 3 (probable) to 2 (possible) because of the use of premia payments (market supplements) for those with long term established recruitment issues and the use of the relocation package has aided recruitment. The impact score has remained at 3 (substantial).
 - **CRR 148 – Local Plan** – the risk score has decreased from 12 to 4 as it is considered that the likelihood of a loss of control over development reduces to 2 (possible) from 4 (almost certain). With the continued use of the Interim Position Statement for Housing Development it is considered the impact is reduced to 2 (moderate) from 3 (substantial).
- 6.5. At the November SRG meeting risk CRR 170 – Change of use of the High Street in City and Rural Towns was reviewed, with the decision to move this risk from the Strategic Risk Register to the Organisational Risk Register, for the service to monitor.

- 6.6. All other existing strategic risks scores have remained unchanged since they were last reviewed, and no new strategic risks have been identified.
- 6.7. SRG were satisfied with the mitigation measures in place in relation to the high scoring organisational risk register items.

7. Consultation

- 7.1. The Risk Management Policy and Strategy changes have been considered by both SLT and SRG, along with both the Council’s risk registers for strategic and organisational risk, in line with the required reporting regime. The outcome of their review is now being reported to this Committee.

8. Other Implications

	Yes	No
Crime & Disorder:		X
Climate Change and Biodiversity:		X
Human Rights and Equality Impact:		X
Safeguarding and Early Help:		X
General Data Protection Regulations (GDPR):		X
Health and Wellbeing:		X

9. Appendices

- 9.1. Appendix 1 (a) – Strategic Risk Register
- 9.2. Appendix 1 (b) - Strategic Risk Register (Part 2)

10. Background Papers

- 10.1. None.