

Appendix 1 – Corporate Risk Management Report – July 2023

Background

1. Risk management is a key element of East Cambridgeshire District Council’s Code of Governance.
2. The Audit Committee is responsible for overseeing the Council’s Corporate Risk Register. Six monthly updates on the Corporate Risk Register are presented to the Audit Committee.

Corporate risk register updates

3. The Corporate Risk Register has been updated, and is attached at **Appendix 2**.
4. The register includes scores for **inherent** risks (before any mitigating controls are considered) and **residual** risk (after taking account of key controls, which are listed). Any planned actions to further mitigate risks are also shown.
5. Also included in the register, since January 2023, is a column capturing sources of assurance.
6. The risk scoring and rating is illustrated in the scoring matrix, which is also used to highlight the significance of the residual risks in a “heat map”, which accompanies the Corporate Risk Register.
7. The Corporate Risk Register is reported to the Committee twice per year. Changes to the risk register, and relevant updates, are reported to the Committee for awareness. Current developments are detailed below:

Risk	Description
A2 East Cambridgeshire Trading Company (ECTC) fails to deliver upon its business plan and expected levels of performance.	<p>This risk entry has been subject to a rolling risk review by Internal Audit. This review highlighted the need for the following clarifications on the controls:</p> <ul style="list-style-type: none">• There is no requirement for reporting to Full Council, as the Finance and Assets Committee acts as the Shareholder Committee and, therefore, the reference to reporting to Full Council has been removed; and• To amend the wording to clarify that the Council’s S151 Officer and Monitoring Officer are invited to attend the Board Meetings as Council representatives. Their attendance is not a requirement as they are not members of the Board. <p>The owner of the risk has also been amended from the Director Commercial to the Director Finance, so as to avoid any conflict of interest.</p>
C2 Loss of data or access to ICT	<p>Increase in inherent risk from 12 (likelihood 3 and impact 4) to 20 (likelihood 4 and impact 5). This reflects increased risks posed by cyber-attacks internationally at this time. The residual risk score remains at 9 (likelihood 3 and impact 3) based on the controls in</p>

Risk	Description
systems due to a breach of information security and / or weaknesses in the IT infrastructure.	place and assurances gained by the recent Public Sector Network Code of Connection compliance certification.
A6 East Cambridgeshire Street Scene (ECSS) Ltd fails to deliver upon its business plan and expected levels of performance.	Risk owner amended from Director Operations to Director Finance.

Corporate residual risk heat map

- An updated risk heat map is included at **Appendix 3** which shows the residual risk level for each of the risks. This gives a quick view of where each risk sits in relation to the Council's risk appetite, i.e. any risks with a residual score greater than 15 would require formal monitoring.

Conclusion

- Risk management processes follow good practice, and are considered proportionate. These are documented in a Risk Management Policy, with a supporting framework.
- The Risk Management Group continue to review the Risk Register on a quarterly basis to ensure all risks are recognised and up to date.
- The Council's Corporate Risk Register shows each risk and details the owner and the key controls, both in place or planned, designed to minimise any impact on the Council and its provision of services to stakeholders.
- The Risk Management Policy requires managers to keep all risks under review, and the Corporate Risk Register has been updated accordingly.