

Appendix 1 – Corporate Risk Management Report – September 2020

Background

1. Risk management is a key element of East Cambridgeshire District Council's Code of Governance. The Council has experience in Risk Management and has prepared Risk Registers which have been reviewed and approved by the senior management, the former Corporate Resources & Finance Committee, and full Council.
2. The Finance and Assets Committee is now responsible for overseeing the Council's Corporate Risk Register and recommend revisions to the Council's Risk Management Strategy.
3. The format of the Corporate Risk Register and revised approach to Risk Management was approved by the Resources and Finance Committee on 20th July 2017. At this meeting the Committee also recommended to Council that the proposed amendments to the Corporate Risk Register and Risk Management Policy were adopted. Full Council approved the amendments on 5th October 2017.
4. Six monthly updates on the Corporate Risk Register have since been presented to the Resources and Finance Committee / Finance and Assets Committee.

Corporate Risk Management policy update

5. The Code of Governance is published on the Council's website. A key element of the Code, which is based on a prescribed best practice format, is to establish and maintain a systematic strategy, framework and process for managing risk.
6. The Council has a Risk Management Policy which sets out the strategic direction for risk management at the Council. Supporting this is a Risk Management Framework which sets out the procedures for risk management.
7. The policy has now been in place since October 2017 and it is recommended that this be reviewed at least every three years to ensure it remains current and fit for purpose. As such, the policy has been reviewed by senior management and is provided for approval by the Finance and Assets Committee. There are no material changes proposed to the updated policy and the key updates relate to reflecting the latest Corporate Plan and structure.
8. The Risk Management Framework is also updated to reflect any changes in structure or approach, in line with the policy. The latest version of the framework is provided for the Committee's information.

Corporate risk register updates

9. The Corporate Risk Register has been updated, and is attached at **Appendix 2**.
10. 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.

11. The risk appetite 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.
12. The Corporate Risk Register is reported to the Committee at least 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
A6 Council unable to manage impact of Coronavirus (Covid-19) on Council services	<p>This risk has been added to the register. This reflects the risk posed to the Council during the pandemic and reflects the controls in place to support ongoing service delivery.</p> <p>There are specific risk assessments/registers in place across the Council and the management of this risk is dependent upon their effective application in practice and reflects the overall corporate impact.</p>
A7 Impact of Coronavirus (Covid-19) on the business and communities of East Cambridgeshire	<p>This risk has been added to the register. This reflects the risk posed to the community during the pandemic and reflects the controls in place to support local business and vulnerable groups.</p> <p>Actions have been underway throughout the pandemic to engage with partners, local groups and the community – these are reflected in the controls and ongoing actions.</p>
B2 Failure to achieve expected levels of development and planning income	<p>The scoring of the inherent likelihood has been increased from 3 to 4, to reflect the impact of delays in payments due to Covid-19.</p>
C2 Loss of data or access to ICT systems due to a breach of information security or weaknesses in the IT infrastructure.	<p>Since the last update, the Council’s ICT Security policy has been approved and is now reflected in the controls.</p> <p>The outstanding actions have also been updated to reflect the latest progress made and the timeframes for completion.</p>

Corporate residual risk heat map

13. An updated risk heat map is included at **Appendix 2** 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. there should be no risks with a residual score greater than 15, unless there are exceptional circumstances.

Conclusion

14. Risk management processes follow good practice, and are proportionate. These are documented in a Risk Management Policy, with a supporting framework.
15. The Risk Management Group continue to review the Risk Register on a quarterly basis to ensure all risks are recognised and up to date.
16. The Council has a Corporate Risk Register and each risk shows 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.
17. The Risk Management Policy requires managers to keep all risks under review, and the Corporate Risk Register has been updated accordingly.