

**To Members of the Audit and Corporate Governance Committee**

Cllr. Shane Blackwell (Chairman)  
Cllr. Stuart Coar (Vice-Chairman)

Cllr. Nick Chapman  
Cllr. Alex DeWinter

Cllr. Paul Hartshorn  
Cllr. Mark Jackson

Cllr. Kirsteen Thomson

Dear Councillor,

A meeting of the **AUDIT AND CORPORATE GOVERNANCE COMMITTEE** will be held in the Council Chamber - Council Offices, Narborough on **MONDAY, 17 APRIL 2023 at 5.30 p.m.** Please find attached a number of supplemental items that are required for the meeting and are in addition to the agenda and report pack that has already been circulated.

Yours faithfully



**Louisa Horton**  
**Corporate Services Group Manager and Monitoring Officer**

**SUPPLEMENTAL ITEMS**

5. Risk Management Q4 2022/23 (Pages 3 - 6)

To consider the report of the Finance Group Manager (enclosed).



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## Corporate Risk Register 2022-23

No. of Risks Assessed  
Current no. of Red Risks  
Current no. of Amber Risks  
Current no. of Green Risks

Uncontrolled	Controlled
22	22
12	4
9	10
1	8

Risk update status
Checked - No Changes
Checked - Risk Reduced
Checked - Risk Increased
Outstanding

Q3
17
1
3
0

Q4
20
1
1
0

ID	Date Added	Risk Category	Risk Description	Uncontrolled Risk			Control Measures	Mitigated Risk			Risk Owner	Risks checked and Commentary provided	
				Impact	Likelihood	Rating		Impact	Likelihood	Rating		31st December 2022	31st March 2023
1		Political	Effectiveness of elected Members could damage the reputation and culture of BDC	3	3	9	<ul style="list-style-type: none"> <li>Cabinet &amp; Leader awareness and development</li> <li>Code of conduct</li> <li>Member development strategy/ supporting roles &amp; responsibilities</li> <li>Recruitment/member succession</li> <li>Audit &amp; Standards Committee</li> <li>Training/Cabinet development</li> </ul>	3	2	6	Corporate Risk Group	No Changes	No Changes Member Induction Programme set up for new members following local elections.
2		Political	Blaby District Plan is not deliverable within available resources. If we do not deliver the corporate objectives the quality of life of residents and those who work in the district will not be improved.	4	3	12	<ul style="list-style-type: none"> <li>All service plans aligned to Blaby District Plan objectives</li> <li>Be clear about expected outcomes</li> <li>Monitor delivery of Blaby District Plan</li> <li>Review Blaby District Plan priorities regularly</li> </ul>	4	2	8	Corporate Risk Group	No Changes	No Changes
7		Competitive Reputational Social	Failure to have effective safeguarding arrangements and a plan in place to safeguard children and vulnerable adults may place people in danger	5	3	15	<ul style="list-style-type: none"> <li>Active Member of District DSO Group</li> <li>Continuous training of designated officers, review of policies</li> <li>Ensuring enough trained officers are available</li> <li>Policies in place and effectively communicated to staff</li> </ul>	4	2	8	Corporate Risk Group	No Changes	No Changes Policies being updated. Gold training has been completed. Further training is being rolled out. Athena training module is being updated to prompt training on annual basis.
8		Fraud Legal	Failure to ensure adherence to internal control arrangements would leave the council open to fraud, affecting reputation. If adequate fraud & corruption prevention arrangements are not in place this leaves the council open to potential financial losses, wrong doing, breaches of the councils procedures & policies & legal responsibilities.	5	3	15	<ul style="list-style-type: none"> <li>Anti Fraud &amp; Corruption/Benefit Fraud policies reviewed &amp; adopted. Staff/Member training</li> <li>Employees adhere to governance procedures</li> <li>Ensure we do not employ staff with false records</li> <li>Use of NAFN bulletins to maintain awareness of latest threats.</li> <li>Policies and procedures ensure segregation of duties.</li> </ul>	4	2	8	Corporate Risk Group	No Changes	No Changes
11		Professional	Failure to recruit and retain the right people for the right jobs.	4	4	16	<ul style="list-style-type: none"> <li>Learning and development provision, including skills and training needs analysis</li> <li>Supporting Employee Performance policies and practices</li> <li>Workforce planning including succession planning and use of market supplements where applicable.</li> </ul>	4	3	12	Corporate Risk Group	No Changes	No Changes East Midlands Council. Recruitment policy has been updated. Using different avenues to recruit people.
13		Professional	Lack of effective Emergency Planning and Business Continuity arrangements	5	3	15	<ul style="list-style-type: none"> <li>All key EP &amp; BC documents on Resilience Direct</li> <li>Internal EP &amp; BC working group meeting</li> <li>Periodic training with SLT &amp; key officers of plans</li> <li>Out of hours Emergency Contact Centre Contract (First Call)</li> <li>Partnership with the Leicestershire Resilience Forum</li> <li>Senior Leadership Team On Call Rota</li> </ul>	4	3	12	Corporate Risk Group	Risk Increased - Add to Change Log Increased on the back of recent IT infrastructure issues. Business Continuity plans also in need of refresh to reflect change in management structure.	No Changes Business Continuity Plans for each service to be updated at end of March 2023.

14		Financial	Impact on financial position as a result of lack of certainty around future funding streams (i.e. Business Rates, Fair Funding, New Homes Bonus and Council Tax Equalisation), and cost of living crisis.	5	4	20	<ul style="list-style-type: none"> <li>Awareness &amp; Understanding of national policy changes</li> <li>Balanced budget approved</li> <li>Deliver Action Plan of Commercialisation Strategy</li> <li>Maintain an awareness of changing priorities</li> <li>MTFS in place</li> <li>Strategy to maximise growth of Business Rates</li> <li>Working with significant partners</li> <li>Maintain adequate level of reserves</li> <li>Financial plan now in place with measures to reduce the budget gap.</li> </ul>	4	4	16	Corporate Risk Group	No Changes	Review once financial settlement is known. Measures to close the gap are in place which may reduce the immediate risk. Ongoing challenge exists in relation to increasing supplier costs, in particular the impact on the Capital Programme, but also with rising utility costs.	Risk Increased - Add to Change Log	Financial settlement for one year only, although indicative for following year. Already facing pay award risk in 2023/24 and potential risk around income streams.
18		Legal	Failure to comply with legislation, resulting in us not meeting our statutory obligations The organisation promotes and demonstrates the principles and values of good governance	2	3	6	<ul style="list-style-type: none"> <li>Constitution regularly reviewed and kept up to date</li> <li>Annual Governance Statement</li> <li>Independent Member Committees</li> <li>Skilled workforce</li> <li>Training/CPD</li> </ul>	2	2	4	Corporate Risk Group	No Changes		No Changes	
19		Contractual Partnership	Contracts may fail to deliver intended outcomes if not managed effectively, and improvements/efficiencies may not be delivered.	3	3	9	<ul style="list-style-type: none"> <li>Ensure that effective contract management arrangements are put in place as part of procurement process.</li> <li>Manage SLM Contract through quarterly governance meetings.</li> </ul>	3	2	6	Corporate Risk Group	No Changes		No Changes	
20	07/01/2020	Reputational Financial	Failure to host partnerships and engage with partners effectively may lead to reputational damage and financial loss to the Council.	4	4	16	<ul style="list-style-type: none"> <li>Ensure that regular Board meetings are in place, and recognise our responsibility in respect of partners' financial position.</li> <li>Regular monitoring of budgets and financial implications.</li> <li>Inclusion on annual Internal Audit Plan.</li> </ul>	3	3	9	Corporate Risk Group	No Changes		No Changes	Partnerships are managed well with the majority of issues outside of Council's control - e.g., impact of cost of living crisis on financial performance. Work underway to review the Lightbulb partnership in anticipation of expiry of the current agreement.
26		Physical	Failure to identify, record, monitor and report health and safety risks.	4	4	16	<ul style="list-style-type: none"> <li>Effective Health &amp; Safety Committee</li> <li>Effective Health &amp; Safety procedures</li> <li>Service blueprints</li> </ul>	4	2	8	Corporate Risk Group	No Changes	New H&S Advisor in post but still at the training stage.	No Changes	DSE assessments are being rolled out. Fire/Bomb evacuation policies have been updated.
29		Financial	Closure, downsizing of premises or relocation of a major district employer which may cause significant unemployment, retraining requirements and a potential loss of Business Rates	4	4	16	<ul style="list-style-type: none"> <li>Review the Council's Economic Development Strategy and resources</li> <li>Develop the work and skills capacity</li> <li>Engage regularly with businesses to understand requirements</li> <li>Work with authorities, landowners, developers &amp; agents</li> <li>Work with LLEP to secure funding for business development initiatives &amp; schemes</li> </ul>	4	4	16	Corporate Risk Group	No Changes		No Changes	NB: LLEP to be discontinued after 2023/24. Responsibility for Business Rates Pool to transfer to County, City, and Districts.
30		Political	Failure to provide affordable housing and supporting infrastructure in the district in line with identified need.	4	4	16	<ul style="list-style-type: none"> <li>Agreement on countywide housing distribution</li> <li>Council adoption of appropriate housing needs policies</li> <li>Feedback to consultation processes</li> <li>Input into Strategic Planning Groups</li> <li>Review of options to deliver affordable housing &amp; balanced housing market</li> </ul>	4	3	12	Corporate Risk Group	No Changes		Risk Reduced - Add to Change Log	There is a good pipeline of houses coming through in the next year.
32		Financial Social	Structural, legislative and budgetary changes in other Public Sector organisations (eg DWP, Health, Police, Leicestershire CC).	4	4	16	<ul style="list-style-type: none"> <li>Maintain awareness &amp; respond to implications of emerging changes in public sector delivery organisations</li> </ul>	4	3	12	Corporate Risk Group	No Changes	Subject to review in light of the publication of County's MTFS.	No Changes	County's MTFS is the biggest risk as it makes clear that there will be cuts to external funding for districts.

46		Social	That the Council is unable to deliver a new local plan and cannot identify 5 years worth of housing land required by National Policy, which could make relevant local policies out of date when determining planning applications.	3	4	12	<ul style="list-style-type: none"> <li>To identify additional sites for residential development through the Delivery DPD</li> <li>To release appropriate sites for residential development</li> </ul>	3	3	9	Corporate Risk Group	No Changes		No Changes	
50	16/03/21	Technological Reputational	Failure of ICT systems leaves us unable to deliver services.	5	4	20	<ul style="list-style-type: none"> <li>Effective security measures in place.</li> <li>External support from cyber experts.</li> <li>Independent IT Healthcheck commissioned and action plan under development.</li> </ul>	4	4	16	Corporate Risk Group	Risk Increased - Add to Change Log	Recent server downtime giving cause for concern over the reliability of our infrastructure.	No Changes	
51	24/06/21	Technological Reputational	ICT Security breaches and non-compliance with Government security standards	5	4	20	Perimeter Security, Systems and data is backed up, Annual IT Health checks, Cyber Essentials and PSN accreditation, Security Working Group, policies in place to support and advise staff, ICT monthly articles and newsletters aimed at increasing staff cyber awareness, Encryption detection software, Antivirus software, Mail Filtering, Sophos Unified Threat Manager, Intrusion detection software.	4	4	16	ICT	Risk Increased - Add to Change Log	Consultant engaged by LICTP to review cyber security arrangements.	No Changes	
52	08/10/21	Financial Social	Cost of living crisis leading to increased demand for services.	4	5	20	<ul style="list-style-type: none"> <li>CAB service</li> <li>Earmarked reserve in place to support cases of serious hardship.</li> <li>Communication with food banks to be able to provide support</li> <li>Supporting residents in times of crisis</li> <li>Grant funding available from government as part of the Energy Bill Support Scheme (Additional Funding, and Alternative Fuels)</li> </ul>	3	4	12	Corporate Risk Group	Risk Reduced - Add to Change Log	Hardship fund in place to mitigate service demand.	No Changes	£430k funding allocated by BEIS as part of the Energy Bill Support Scheme. Council involved in the verification of eligibility of applicants. First tranche of payments made mid-March.
53	17/12/21	Financial, Reputational, Health & Safety	Huncote & Surrounding Site - risk of elevated levels of methane from landfill site	5	3	15	<ul style="list-style-type: none"> <li>Additional monitoring and venting wells installed.</li> <li>Rear of site remains closed pending completion and monitoring of new boreholes.</li> <li>Regular communication with partners on site.</li> </ul>	4	3	12	Corporate Risk Group	No Changes		No Changes	Work has been completed - some snagging to be undertaken next week in relation to some of the bore holes.
54	31/12/21	Environmental Financial, Reputational	Budgetary pressures prevent us from achieving our 2030 net zero carbon reduction target.	4	3	12	<ul style="list-style-type: none"> <li>Carbon reduction action plan in place.</li> <li>Dedicated officer working on "green" initiatives.</li> <li>Cross service working group in place to maintain high profile and awareness.</li> <li>Fleet replacement strategy under review.</li> </ul>	4	2	8	Corporate Risk Group	No Changes		No Changes	Funding of £500k received from Defra.
55	17/03/22	Physical	Officer and member welfare is impacted by ongoing service demand and financial pressures.	4	4	16	<ul style="list-style-type: none"> <li>Policies and procedures being revised and reviewed together with guidance documents for staff and managers.</li> <li>Employee helpline in place.</li> <li>Continuous review with teams and individuals</li> <li>Being flexible with working policies.</li> <li>Member Induction Programme.</li> </ul>	4	3	12	Corporate Risk Group	No Changes		No Changes	

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