

**Blaby District Council**  
**Audit & Corporate Governance Committee**

**Date of Meeting** 28 April 2025  
**Title of Report** Risk Management Quarter 4 2024/25  
**Report Author** Council Tax Income & Debt Manager

**1. What is this report about?**

- 1.1 The report provides Audit and Corporate Governance Committee with an update in relation to the Council's Corporate Risk Register up to 31<sup>st</sup> March 2025.

**2. Recommendation(s)**

- 2.1 That the latest information in respect of the Council's major corporate risks is accepted.

**3. Reason for Decision(s) Recommended**

- 3.1 The overview of the Council's risk management processes is a key responsibility of the Audit and Corporate Governance Committee. It is important that members are aware of the corporate risks and their potential impact on Council business, and that they review the control measures in place to mitigate risks.

**4. Matters to consider**

**4.1 Background**

The management of risk is a critical success factor in terms of an organisation achieving its objectives. The Audit and Corporate Governance Committee, supported by Internal Audit, has the role of evaluating the effectiveness of the Council's risk management procedures, and commenting upon areas of improvement as appropriate.

Risks are assessed for their impact on the Council's business, and the likelihood that those risks might arise. Scores for impact and likelihood are combined using a "5x5" matrix to arrive at a rating of high, medium, or low.

| Risk Score | Matrix Category |
|------------|-----------------|
| 16-25      | High            |
| 9-15       | Medium          |
| 1-8        | Low             |

Further information is contained within the Risk Management Strategy which was presented to this Committee in July 2023.

#### 4.2 Corporate Risk Register

The Corporate Risk Register captures the most significant current risks that have a potential impact on the Council's strategic aims and objectives. Updates on the latest corporate risks are presented to Audit and Corporate Governance Committee every quarter.

Corporate Risks are monitored by the Corporate Risk Group which comprises the Chief Executive, the Executive Directors, the Finance Group Manager, and the Council Tax Income and Debt Manager. The Corporate Risk Group met on 31st March 2025 to review and update the Corporate Risk Register, ensuring that it properly reflects the current corporate risks and that actions are in place to mitigate those risks. A copy of the Corporate Risk Register is included at Appendix A, and this sets out each risk, an assessment of the degree of risk to the Council, and any control measures that are in place to mitigate the likelihood and impact of the risk occurring.

The following table summarises the number of corporate risks before any control measures are put in place (i.e., uncontrolled risks).

| <b>All Corporate Risks – Uncontrolled Rating Summary</b> |              |              |              |
|--|--------------|--------------|--------------|
| <b>Red</b>   | <b>Amber</b> | <b>Green</b> | <b>Total</b> |
| 15   | 10           | 0            | 25           |

The corporate risks, once control measures have been put in place, i.e., controlled risks, are as follows:

| <b>All Corporate Risks – Controlled Rating Summary</b> |              |              |              |
|--|--------------|--------------|--------------|
| <b>Red</b>   | <b>Amber</b> | <b>Green</b> | <b>Total</b> |
| 6  | 7            | 12           | 25           |

Since the last quarterly report to Audit and Corporate Governance Committee on 6<sup>th</sup> February 2025, 2 risks have been removed from the register (as they have been moved to Service Level Risks) and 3 have been moved to a new Risk Register (LGR – Local Government Reorganisation) which means that there are now 25 corporate risks recognised.

Overall, 15 high risks to the Council's business have been identified before any form of mitigation has been put in place. However, once control measures are considered, 9 of these are reduced to medium or low risk.

The latest review undertaken by the Corporate Risk Group has led to 2 risks scores being increased and 4 risks scores being decreased (one of these risks is detailed on Appendix B - IT Corporate Risks (exempt appendix)).

#### Increased risks:

##### **R019 - Cost of living crisis leading to increased demand for services.**

This risk has been increased due to the increase in Homelessness cases being seen across Blaby District and on a national scale. Work continues to develop affordable housing options across housing sites in Blaby. Through the emerging local plan and existing planning applications, affordable schemes are being promoted.

##### **R131 – Partners lose confidence in the Leicestershire Building Control Partnership delivery model.**

This risk has been increased. Internal controls to reduce this risk include, quarterly board meetings being held, and regular contact with the Partners by the Building Control Partnership Manager to ensure the Partners are kept informed and updated.

#### Reduced risks:

##### **R020 – Huncote Leisure Centre and surrounding site – risk of elevated levels of methane from landfill site.**

This risk rating has been reduced in view of the additional controls in place that are making it manageable. A 5-year contract has recently been entered into which provides a 24-hour callout for service and maintenance of the equipment at the site. An equipment replacement plan is included within the Council's 5 year Capital Programme. The system within the building has also been streamlined, and the County Council equipment has been removed, this means that there is one system continually monitoring and only one company to contact if there are concerns or issues. Monthly monitoring continues at the site and readings continue to be submitted to the contractor for review.

##### **R132 – Partners Do Not Reach Agreement on the Future Lightbulb Delivery Model and Business Case.**

This risk has been reduced following a 1 year agreement now in place.

##### **R158 – The Council is unable to meet its 5-year land supply target.**

This risk has been reviewed and revised in line with the uncontrolled risk score. Internal controls to reduce this risk include re-establishing land supply through the new local plan and ensuring all Planning Committee members have received training.

#### **4.3 Local Government Reorganisation (LGR) & Devolution Risk Register**

At the last Corporate Risk Group meeting, the group agreed on the establishment of a specific risk register in relation to Local Government Reform and Devolution risks. The register is now fully incorporated into the Council's risk management procedures and is also subject to review by the Corporate Risk Group on a quarterly basis.

During the last review on 31st March 2025, there were 3 risks identified on the Corporate Risk Register to be moved to the LGR/ Devolution Risk Register.

The following table summarises the number of risks before any control measures are put in place (i.e., uncontrolled risks).

| All LGR Risks – Uncontrolled Rating Summary |       |       |       |
|---|-------|-------|-------|
| Red   | Amber | Green | Total |
| 2   | 1     | 0     | 3     |

The risks, once control measures have been put in place, i.e., controlled risks, are as follows:

| All LGR Risks – Controlled Rating Summary |       |       |       |
|---|-------|-------|-------|
| Red                                       | Amber | Green | Total |
| 0   | 3     | 0     | 3     |

The following 3 risks have been moved to the LGR/Devolution Risk Register:

| Risk Description  |  | Uncontrolled Risk Rating | Controlled Risk Rating |
|---|--|--------------------------|------------------------|
| <b>R005:</b> Failure to recruit and retain the right people for the right jobs                                    | Risk Likelihood  | Very Likely (4)          | Likely (3)             |
|   | Risk Impact  | Major (4)                | Major (4)              |
|   | Status   | 16                       | 12                     |
| Control Measures  | <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>                      |                          |                        |
| <b>R022:</b> Officer and Member emotional wellbeing is impacted by ongoing service demand and financial pressures | Risk Likelihood  | Very Likely (4)          | Likely (3)             |
|   | Risk Impact  | Major (4)                | Major (4)              |
|   | Status   | 16                       | 12                     |
| Control Measures  | <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 for employees and Members</li> <li>• Continuous review with teams and individuals</li> <li>• Being flexible with working policies</li> </ul> |                          |                        |

|  |  |                 |                 |
|--|--|-----------------|-----------------|
|  | <ul style="list-style-type: none"> <li>• Member Induction Programme</li> <li>• Improvement in signposting</li> <li>• Wellness action plans in place</li> </ul>   |                 |                 |
| <b>R165:</b> Business as Usual is negatively impacted due to the focus on Devolution | Risk Likelihood  | Very Likely (4) | Very Likely (4) |
|  | Risk Impact  | Medium (3)      | Medium (3)      |
|  | Status   | 12              | 12              |
| Control Measures   | <ul style="list-style-type: none"> <li>• Staff are being kept informed and engaged</li> <li>• A £50,000 budget has been established for supporting the proposal stage</li> <li>• Consideration of the Corporate Plan/Projects and Priorities to enable capacity</li> </ul> |                 |                 |

#### 4.4 Service and Project Risk Registers

Service risks are those which are more related to operational and service delivery matters. They are maintained on a separate risk register and are subject to quarterly monitoring by Service Managers to ensure that they remain up to date and have not become obsolete. Group Managers will provide an overview of the service risks on a quarterly basis, but service risks will not be reported to Audit and Corporate Governance Committee other than in exceptional circumstances.

Project risks are managed through the Council's project management framework, with risk registers maintained for corporate projects and high-profile service projects. These are monitored through individual project teams and by the Senior Leadership Team sitting as Programme Board.

#### 4.5 Significant Issues

In preparing this report, the author has considered issues related to Human Rights, Legal Matters, Human Resources, Equalities, Public Health Inequalities and there are no areas of concern

### 5. Environmental impact

#### 5.1 In preparing this report, the author has considered issues related to Climate Local and there are no areas of concern.

## **6. What will it cost and are there opportunities for savings?**

- 6.1 There are no direct financial implications arising from this report. However, financial implications may arise because of inadequate risk management, but with robust procedures in place they are minimised or removed

## **7. What are the risks and how can they be reduced?**

7.1

| Current Risk  | Actions to reduce the risks   |
|---|---|
| If risks are not monitored, then the Council may not be aware of possible events arising.   | Audit and Corporate Governance Committee receive regular reports on risk and advise Cabinet Executive as appropriate.   |
| If risks are not effectively managed through mitigation, risks identified cannot be minimised and may have a significant impact on the Council. | Mitigating control measures are in place and monitored through Audit and Corporate Governance Committee, Corporate Risk Group and by Senior Leadership Team/Group Managers. |

## **8. Other options considered**

- 8.1 None. It is a requirement of the Risk Management Strategy that regular reports are brought to Audit and Corporate Governance Committee.

## **9. Appendix**

- 9.1 Appendix A – Corporate Risk Register (excluding IT risks)
- 9.2 Appendix B – IT Corporate Risks (exempt appendix)
- 9.3 Appendix C – Local Government Reorganisation (LGR) Register

## **10. Background paper(s)**

Risk Management Strategy 2023 – 2026.

## **11. Report author's contact details**

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