

Subject:	Corporate Risk Register Update Quarter 4 2021-2022 (January, February and March).	Status:	For Publication
Report to:	Audit and Accounts Committee	Date:	27 th July 2022
Report of:	Head of Finance	Portfolio Holder:	Resources
Key Decision:	<input type="checkbox"/> Forward Plan <input type="checkbox"/>	General Exception	<input type="checkbox"/> Special Urgency <input type="checkbox"/>
Equality Impact Assessment	Required	No	Attached
Biodiversity Impact Assessment	Required	No	Attached: No
Contact Officer:	Karen Spencer	Telephone:	01706 252409
Email:	karens pencer@rossendalebc.gov.uk		

1. RECOMMENDATIONS

- 1.1 That the Audit and Accounts Committee note the Corporate Risk Register as detailed in the report.
- 1.2 That members note the risk consequence, mitigation action and level of risk as detailed in Appendix 1.

2. PURPOSE OF REPORT

- 2.1 The purpose of this report is to update the Audit and Accounts Committee on the council's Corporate Risk Register.

3. BACKGROUND

- 3.1 The council details its approach to managing risk in its Risk Management Strategy. This was updated in March 2016.

The strategy sets out the framework of monitoring and reporting of risks. The council has identified 13 corporate risks and these are monitored via quarterly performance reporting schedule using a R/A/G rating dashboard to report the risk status. These are reported to both the Overview and Scrutiny Committee and Cabinet.

If a potential issue was identified during the periodic monitoring of the risk, the responsible officer would be required to identify the risk and note the actions needed to mitigate the level of risk.

4. THE CURRENT RISK REGISTER

- 4.1 The council has reviewed and continues to monitor the council's corporate risks.
- 4.2 The corporate risks as categorised at the end of Quarter 4 are as follows:

	Quarter 4 2021/22
Low	4
Medium	7
High	2

4.3 The corporate risks rated as 'red' are as follows:

Corporate Risk 1	Likelihood	Impact	Overall risk	Status
Sustainability of the Medium Term Financial Strategy	B	2	B2	RED

The February 2022 MTFs indicates that the MTFs funding gap will continue to increase over the current lifecycle unless further savings/income generation schemes are identified. Recovery from the Covid-19 pandemic and the impact from increasing inflation continue to place additional pressure on the MTFs. It is likely that the legal claims arising from the Empty Homes scheme will also have an adverse impact on the MTFs if settled in the claimants' favour. Officers are monitoring the scheme closely and managing the claims where possible.

Corporate Risk 13	Likelihood	Impact	Overall risk	Status
Impact of Covid-19 on the financial sustainability of council owned leisure assets.	B	2	B2	RED

The financial performance of the Trust during 2021/22 was stronger than expected and it is expected that the Trust will end the year with an approximate balanced budget. Work has started to project budgets for 2022/23 and this is likely to be more challenging than the previous year due to increases in fuel prices, an increase to living wage and also a reduction in Covid-19 Funding and the end of a Council repayment holiday for existing loans. Work is being undertaken to more accurately assess the likely shortfall for 2022/23 and this will then be reported to Elected Members.

4.4 The risks will continue to be monitored by Corporate Management Team.

5. RISK

5.1 All the issues raised and the recommendations in this report involve risk considerations as set out above.

6. FINANCE

6.1 Any financial implications related to specific risks are noted in this report and detailed in the appendices.

7. LEGAL

7.1 There are no immediate legal considerations attached to the recommendations in this report.

Effective risk management is very important to the council, and the council is committed to improving on an on-going basis how it manages and mitigates risk. A very important part of this process is robust and transparent scrutiny and taking timely, corrective action to improve risk management.

8. CONCLUSION

8.1 The Corporate Risk Register is dynamic. The updates to the risks demonstrate active mitigation of the existing risks. The Committee will want to explore the implications of each corporate risk in the appendices.

Background Papers	
Corporate Risk Register	Appendix 1
Risk Management Strategy updated March 2016	https://www.rossendale.gov.uk/downloads/download/10836/risk_management_strategy