

Report to Overview and Scrutiny Committee

Subject: Corporate Risk Management Scorecard Quarter 3 2023/24

Date: 22 April 2024

Author: Head of Finance and ICT

1. Purpose of the Report

To update members on the current level of assurance that can be provided against each corporate risk.

Recommendations:

That Members:

- Note the progress of actions identified within the Corporate Risk Register.

2. Background

The current Risk Management Strategy & Framework was last considered and approved by the Cabinet in October 2017. It is due for renewal this financial year, and a new Risk Management Framework forms part of the agenda for this meeting with the final version to be recommended to Cabinet for approval in March.

As part of the review of the Risk Management Strategy, a process review of internal risk management and risk registers has been undertaken with a view to making the system and reporting of risks more automated.

The purpose of the current Strategy and Framework is to define how risks are managed by the Council. It provides guidance on the processes, procedures, roles, and responsibilities for risk, and it sets out the context on how risks are to be managed. It defines the key role for the Audit Committee as providing independent assurance to the Council with regard to the effectiveness of the risk management framework and the associated control environment. This includes the monitoring of the framework and ensuring the implementation of all audit actions.

The Corporate Risk Register is a key enabler of the Strategy and Framework and provides assurance on the key risks identified as corporate risks.

Existing risks identified within both the Council’s corporate and operational service risk registers are subject to quarterly review by senior management and on an ongoing basis through the work of Internal Audit.

3. Corporate Risk Register

This approach has meant that some of the risks included within the Corporate Risk Register have been set at a relatively high score with the expectation that as mitigation measures are properly recorded or actions taken, then these risks should start to improve over the coming months. This is not to say that all risks will return to ‘green’, as mitigation measures can only go so far, and some risks may always be inherently ‘red’ or ‘amber’ as the score reflects the potential impact on the Council and the likelihood of that event occurring.

The Corporate Risk Register and supporting comments as at the end of December 2023 are appended to this report, and this includes a summary of all control gaps identified on the Council’s Corporate Risk Register at quarter 3.

4. Financial Implications

None arising directly from this report.

5. Legal Implications

The Council is required to have risk management arrangements in place as part of its functions under the Accounts and Audit Regulations 2015.

6. Equalities Implications

None arising directly from this report.

7. Carbon Reduction/Environmental Sustainability Implications

None arising directly from this report.

8. Appendices

Appendix 1 - Corporate Risk Register Monitoring – Quarter 3, period ending 31 December 2023

Appendix 2 - Risk Management Scoring Matrix

Appendix 3 – Risk Definitions

Statutory Officer Approval


Approved by: Chief Financial Officer
Date:


Approved by: Monitoring Officer
Date:

Appendix 1 - Corporate Risk Register Monitoring – Quarter 1 – Period Ending 31 December 2023

1	<p>FAILURE TO PREVENT BUDGET OVERHEATING ONCE THE BUDGET HAS BEEN SET</p> <p>Owner: Head of Finance & ICT</p> <p>Current Risk: GREEN B2, low likelihood / minor impact</p> <p>Direction of Travel: 22/23 Q1 D3; Q2 D3; Q3 B3; Q4 B1. 23/24 Q1 B1; Q2 B1; Q3 B2;</p> <p>Definition:</p> <p><i>Shorter term implications of overspending budgets or not collecting as much income as forecasted. This can cause adverse impact on Council balances.</i></p> <p>Key Risk Driver: Financial Impact</p> <p>Raw Risk: RED E3, very high likelihood / serious impact (£50k - £500k)</p> <p>Commentary:</p> <p>Budget monitoring reports are presented to Cabinet on a quarterly basis, and reflect a review of current year budgets and spend to date. They also recognise any trends (both underspends and overspends) as reported in the year-end outturn report.</p> <p><u>Actions completed to quarter 3:</u></p> <ul style="list-style-type: none"> • Quarter 1 budget monitoring report was presented to Cabinet on 7th September 2023. This reported a forecast NIL variance at year end. • Quarter 2 budget monitoring was reported to Cabinet on 9 November 2023 this reported an overall underspend, however there were significant departmental overspends identified which if not controlled could change the overall position at Quarter 3 and therefore increase the risk. • Quarter 3 budget monitoring report was reported to Cabinet on 31 January 2024, whilst it showed a balanced budget position, some significant overspends have been identified in some service areas which have been addressed with appropriate heads of service. The overspends can be offset with additional income and savings from other service areas thus maintaining a balanced budget
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	<p>position. As the years budget risk reserve has been fully utilised additional overspends in quarter 4 may not be able to be offset with savings from other areas, therefore, the risk of an overall overspend in year has increased for Quarter 3.</p> <p><u>Actions outstanding:</u></p> <ul style="list-style-type: none"> • As a result of overspends identified in quarter 2 & 3 in areas of PASC and Waste, actions are being considered to reduce the overspend continuing into the last quarter. • Zero based budget exercises are being considered for the PASC & Waste due to continuous overspends.
2	<p>FAILURE TO MAINTAIN FINANCIAL INTEGRITY</p> <p>Owner: Head of Finance and IT</p> <p>Current Risk: RED E4, very high likelihood / major impact £500k to £1m</p> <p>Direction of Travel: 22/23 Q1 E4; Q2 E4; Q3 E4; Q4 E4. 23/24 Q1 E4; Q2 E4; Q3 E4 </p> <p>Definition:</p> <p><i>Affecting the ability of the Council to meet its financial commitments in the longer term.</i></p> <p>Key Risk Driver: Financial Impact</p> <p>Raw Risk Value: RED E5, very high likelihood / critical impact (£1M+)</p> <p>Commentary:</p> <p>The preparation of a balanced budget is a fundamental requirement placed on all local authorities, and this can only be achieved by the control of expenditure and the maintenance or improvement in income. The main financial risk issue continues to be the delivery of the ongoing £2.857m efficiency target against a backdrop of pay rises, fuel and energy price increases, and national pressures around the future of local government funding.</p> <p><u>Actions completed to quarter 3:</u></p>

	<ul style="list-style-type: none"> • The Medium Term Financial Plan was presented to Council on 2 March 2023 as part of the 2023/24 General Fund Revenue Budget report. It set a future efficiency target of £2.857m and officers, completed a review of budgets and a programme of proposed efficiencies have will be put forward for consideration as part of budget setting for 2024/25. • The budget report for 2024/25 is nearing completion and will be presented to Cabinet on 21 February 2024 and Full Council on 6 March 2024. • Proposed Efficiencies have been presented to Portfolio Holder to agree plans for delivery in 2024/25, 2025/26 and 2026/27 <p><u>Actions outstanding</u></p> <ul style="list-style-type: none"> • Development of a Procurement and Contract Management Strategy to ensure value for money in purchasing. This will reflect the recommendations arising from the internal audit reviews of both Contract Management and Procurement. It will also need to reflect changes arising from the new UK Procurement Bill currently progressing through parliament. TARGET DATE: April 2024. • Development and implementation of a Charging Strategy to maximise current income streams and identify new income opportunities in accordance with all relevant statutory and corporate requirements. TARGET DATE: June 2024. • Completion of additional Internal Audit work required on main financial systems in response to the alleged fraud in 2022, and ongoing liaison with External Audit. To be presented to Audit March 2024.
3	<p>FAILURE TO PROTECT STAFF, INCLUDING HEALTH & SAFETY ISSUES</p> <p>Owner: Corporate Director</p> <p>Current Risk: AMBER C3, significant likelihood / serious impact</p> <p>Direction of Travel: 22/23 Q1 B3; Q2 B3; Q3 C3; Q4 C3. 23/24 Q1 C3; Q2 C3; Q3 C3 </p> <p>Definition:</p>

	<p><i>Ineffective systems, processes and equipment that can present danger to individuals or groups of employees.</i></p> <p>Key Risk Driver: Health & Safety</p> <p>Raw Risk Value: RED D4, high likelihood / major impact (loss of life / major illness)</p> <p>Commentary:</p> <p>All staff should feel safe at work and be protected against all dangers wherever possible.</p> <p><u>Actions completed to quarter 3:</u></p> <ul style="list-style-type: none"> • The Health and Safety team continued their programme of inspections and corporate review of risk assessments. This process has identified a number of risks which need to be addressed and some risk assessments which are overdue for review and/or with appropriate control measures not being fully identified, for which mitigations are being planned. It was hoped that the risk level would reduce in quarter 3, however some actions to address risk remain outstanding at quarter 3, staff shortages in some areas has meant actions have not been completed in a timely manner. • The rollout of the new Civic centre emergency evacuation procedure was implemented in quarter 3, with one test completed and more planned for quarter 4. • Health and Safety internal audit was completed in quarter 3 with an overall moderate assurance, there were some actions around risk management with training highlighted. Resourcing remained an issue in quarter 3 however the Health & Safety Officer returned from maternity leave in January so overall risk may reduce in quarter 4. <p><u>Actions outstanding:</u></p> <ul style="list-style-type: none"> • To continue with the programme of health and safety inspections to determine the corporate-wide risk position and ensure the delivery of mitigation actions to address identified risks. TARGET DATE: April 2024.
4	<p>FAILURE TO RECRUIT AND RETAIN STAFF, AND MAINTAINING INTERNAL CAPACITY</p> <p>Owner: Head of HR, Performance & Service Planning</p> <p>Current Risk: AMBER C3, significant likelihood / serious impact</p>

**Direction of Travel: 22/23 Q1 C3; Q2 C3; Q3 C3; Q4 C3.
23/24 Q1 C3; Q2 C3; C3**



Definition:

Associated with the particular nature of each profession, internal protocols, managerial abilities, and sickness levels.

Key Risk Driver: Service Provision


Raw Risk Value: AMBER C3, significant likelihood / serious impact (significant elements of a service suspended / reduced)

Commentary:

Like nearly all councils, Gedling is experiencing difficulties with recruitment, particularly with professional roles such as planning and finance. Uncertainty also still remains in the future if, for example, funding reductions impact upon the Council's ability to deliver public services.

Actions completed to quarter 3:

- Pentana is now more actively used by officers to manage projects, risks, audit recommendations, carbon management actions, equality actions which will provide an indicator where officers are struggling to deliver due to capacity issues.
- Discussions have been had within Corporate Management Team to share experience and ideas for improving recruitment and retention, some teams have adopted "grow your own" approach and in some areas career grading has been used to attract candidates successfully.
- HR have met with comms to look at the recruitment page and individual recruitment campaigns to try and attract candidates.
- Staff survey was launched with all staff with results fed to Heads of Service to develop action plans for their services to improve on areas where staff have identified issues.
- A review of Agile Working is currently underway with a review of office /desk space having been completed during quarter3.
- A new Workforce Strategy as prepared which set out actions for improvement. (this was presented to SLT in November 23 and has been considered by ACSC).
- High internal audit finding - there were low completion rates of Performance Development Reviews (PDR) which impacts the Council's ability to fully review the skills base of all staff and ensure staff have the necessary skills and tools - including training - to undertake their roles, deliver to expected standards and ensure future development opportunities. A new programme of PDRs has been promoted with PDRs underway and to be completed in quarter 4.

	<p><u>Actions outstanding:</u></p> <ul style="list-style-type: none"> • Continue to monitor the national review of the impact of the national living wage on local government pay scales and assess the impact for Gedling. TARGET DATE: n/a. • Investigate opportunities for the introduction of apprenticeships in areas experiencing particular recruitment issues. TARGET DATE: April 2024. • Continue to work with the universities to facilitate the Supported Intern Placement Programme. TARGET DATE: n/a. • Review recruitment options, including a refresh of the website recruitment pages, and which enhances the Council's offer in terms of flexible working and accessibility. TARGET DATE: April 2024. • Continue the review of agile working arrangements currently in place, forming a view on future work needs and requirements, and determining a strategy that will have a positive impact on recruitment and retention of staff. The first step is to review the use of office and desk space / patterns of working within the Civic Centre. TARGET DATE: April 2024. • To monitor the impact of workforce capacity on delivery of the Gedling Plan and compliance with governance requirements by identifying practical measures to reduce the pressure within teams and the fragility of some services. TARGET DATE: April 2024.
5	<p>FAILURE TO PROPERLY UTILISE EXISTING ICT, REACT TO TECHNOLOGY CHANGES, AND PREVENT DATA LOSS</p> <p>Owner: Head of Finance & IT</p> <p>Current Risk: Red D3, high likelihood / serious impact</p> <p>Direction of Travel: 22/23 Q1 C3; Q2 C3; Q3 C3; Q4 C3. 23/24 Q1 C3; Q2 C3; Q3 D3</p> <p>Definition:</p> 

The capacity of the Council to deal with the pace / scale of technological change, or its ability to use technology to address changing demands. Challenges over the security, storage and retention of both electronic and manual records, and data.

Key Risk Driver: Objectives

Raw Risk Value: RED D4, high likelihood / major impact (directorate objectives not met)

Commentary:


Good IT is key to the delivery of efficient Council services, and the development of a coherent Digital Strategy is essential.


Actions completed to quarter 3:


- SLT received the findings of the external review of the ICT service, evaluating current service provision and resourcing (baseline review).
- Emergency Response Plan for cyber security incidents approved by SLT.
- An internal Digital Transformation team has been established and continues to work alongside the external consultants to produce a strategy.
- An external consultant Change Network was procured to prepare an IT Strategy, road map and target operating model for ICT, this is nearing completion and is expected in January 24. The Strategy has identified some weaknesses in the ICT environment which will be addressed as part of the road map, therefore the risk has increased in quarter 3.
- Information Security Policy was reviewed and approved by Cabinet on 7 September.


Actions outstanding:


- Completion of the ICT Strategy and other outputs from Change Network working with the Digital Transformation team TARGET DATE – March 2024.
- Establishment of governance arrangements to approve ICT projects – March 2024


6	<p>FAILURE TO PROTECT & UTILISE PHYSICAL ASSETS</p> <p>Owner: Head of Regeneration & Welfare </p> <p>Current Risk: RED C4, significant likelihood / major impact</p> <p>Direction of Travel: 22/23 Q1 C3; Q2 C3; Q3 C3; Q4 C3. 23/24 Q1 C3; Q2 C4; Q3 C4</p> <p>Definition:</p> <p><i>Buildings that are fit for purpose, safe, secure, and meet legislative requirements for fire, asbestos, and water-testing. Land, buildings and other assets to be recorded on a database.</i></p> <p>Key Risk Driver: Health & Safety</p> <p>Raw Risk Value: RED D4, high likelihood / major impact (loss of life / major illness)</p> <p>Commentary:</p> <p>The Council owns and manages a number of buildings and it is important that these are all checked on a regular basis and maintained through an up-to-date Asset Management Plan and Strategy. In addition the Council has some management/maintenance responsibility for joint use buildings such as Leisure Centres which are important assets in delivering the Leisure function. The risk in this area has increased due to some issues at Carlton Forum leisure centre drainage. The risk is being managed but the Council is working with the County Council to mitigate risk in the longer term.</p> <p><u>Actions completed to quarter 3:</u></p> <ul style="list-style-type: none"> • General condition surveys are now in place for the majority of the main operational estate. • A new compliance regime has been introduced for all Council assets (fire, asbestos, water testing). • Meeting with the County Council to discuss solutions to drainage issues at Leisure Centre, works likely in April 2024, funding arrangements currently being negotiated with the County taking consideration of the joint use agreement. • Asset Management surveys are being hindered by lack of an integrated asset management system, with asset details held on multiple spreadsheets and folders.
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	<ul style="list-style-type: none"> • Compliance management arrangements have been introduced across pavilions and community centres and conditions surveys being introduced in 2024/25. <p><u>Actions outstanding:</u></p> <ul style="list-style-type: none"> • Cyclical update of property condition surveys, starting with those about to expire e.g. pavilions. TARGET DATE: March 2024. • Produce a new Property Asset Management Plan. TARGET DATE: March 2024. • Review the suitability of Council-owned temporary accommodation and establish a short and long term maintenance programme. TARGET DATE: March 2024.
7	<p>FAILURE TO REACT TO CHANGES IN LEGISLATION</p> <p>Owner: Corporate Director</p> <p>Current Risk: RED D3, significant likelihood / serious impact</p> <p>Direction of Travel: 22/23 Q1 C3; Q2 C3; Q3 C3; Q4 C3. 23/24 Q1 C3; Q2 D3; Q3 D3 </p> <p>Definition:</p> <p><i>Associated with current or potential changes in national or European law which can lead to possible breaches of legislation. Assessing the wider implications of new legislation on both the Council and its residents.</i></p> <p>Key Risk Driver: Financial Impact</p> <p>Raw Risk Value: RED D4, high likelihood / major impact (£500k - £1m)</p> <p>Commentary:</p> <p>Legislation changes are progressed through parliament and can ultimately affect any Council service. A watching brief on their progression from Bills to Acts is therefore essential. The risk in this area has increased in quarter 2 following the introduction of mandatory qualification requirements for Building Control officers which must be obtained before 1st April 2024. This is impacting the current workforce</p>

	<p>and will impact on the ability to deliver the statutory building control function if qualification is not completed.</p> <p><u>Actions completed to quarter 3:</u></p> <ul style="list-style-type: none"> • Building Control staff are being supported through the qualification this action is ongoing TARGET Date 1st April 2024. • Investigations have commenced into alternative arrangements for Building Control in the event of staff no longer wishing to pursue qualification or not obtaining. • Received confirmation that changes to the pension scheme following McCloud case the impact is low. <p><u>Actions outstanding:</u></p> <ul style="list-style-type: none"> • New waste reforms were announced by government on 23 October 2023 to improve and simplify the approach to waste collections in England, such as the introduction of a free weekly food waste collection, and we await further guidance and confirmation of resources needed to implement those changes. TARGET DATE: n/a. • Changes to the procurement act are expected to come into force in October 2024, training of officers with responsibility for the procurement strategy needs to be sourced and undertaken in order to ensure the changes can be included in the strategy in 2024/25.
8	<p>FAILURE OF CONTRACTORS OR PARTNERSHIP ARRANGEMENTS – CONTRACTUAL BREACHES</p> <p>Owner: Head of Finance & IT</p> <p>Current Risk: AMBR C3, significant likelihood / serious impact</p> <p>Direction of Travel: 22/23 Q1 B3; Q2 B3; Q3 C3; Q4 C3. 23/24 Q1 C3; Q2 C3; Q3 C3 </p> <p>Definition:</p> <p><i>Associated with the failure of contractors and partnership arrangements to deliver services or products to the agreed cost and specification.</i></p> <p>Key Risk Driver: Financial Impact</p>

	<p>Raw Risk Value: RED D3, high likelihood / serious impact (£50k - £500k)</p> <p>Commentary:</p> <p>This risk focusses on perceived weaknesses in the procurement and contract management processes.</p> <p><u>Actions completed to quarter 3:</u></p> <ul style="list-style-type: none"> • The implementation of some actions resulting from the Contract Management and Procurement internal audits. • Captured feedback on current procurement arrangements to consider future changes. <p><u>Actions outstanding:</u></p> <ul style="list-style-type: none"> • Implementation of the new Contract Register and Contract Management module as part of the Intend procurement system. TARGET DATE: June 2024. • Review indemnity clauses in terms and conditions for new contracts to ensure that they reflect the Council’s risk appetite. TARGET DATE: June 2024 – this will align with wider review of contract terms as part of Procurement Act review.
9	<p>INABILITY TO DEFEND ONE-OFF CHALLENGES TO A COUNCIL DECISION OR NEW COMPENSATION TREND EMERGES</p> <p>Owner: Corporate Director</p> <p>Current Risk: GREEN A3, very low likelihood / serious impact</p> <p>Direction of Travel: 22/23 Q1 A3; Q2 A3; Q3 A3; Q4 A3. 23/24 Q1 A3; Q2 A3; Q3 A3 </p> <p>Definition:</p> <p><i>Councils are increasingly vulnerable to judicial reviews and new compensation claims.</i></p> <p>Key Risk Driver: Financial Impact</p>

	<p>Raw Risk Value: RED E3, very high likelihood / serious impact (£50k - £500k)</p> <p>Commentary:</p> <p>These may arise as a result of a national policy change, Council decision, or lack of action.</p> <p><u>Actions completed to quarter 3:</u></p> <ul style="list-style-type: none"> • Completion of restructure of legal services means full team which will support capacity to defend one off challenges. • As reported to Environment and Licencing Committee in January 2023, some taxi licensing fees were overcharged and a process of refunds is now operational. A new methodology for calculating the fees has been developed to ensure there will be no reoccurrence going forward. • No Change in risk, no specific threats identified and there is adequate resource in legal services to support any potential challenges. <p><u>Actions outstanding:</u></p> <ul style="list-style-type: none"> • National interest around “employment status” and “worker rights” continues to develop. We need to complete the work on assessing the employment status of individuals working for the Council to ensure that legislative and corporate requirements are met. TARGET DATE: n/a.
10	<p>FAILURE TO MAINTAIN SERVICE STANDARDS, CUSTOMER SATISFACTION, AND/OR MEET CUSTOMER EXPECTATIONS</p> <p>Owner: Corporate Director</p> <p>Current Risk: GREEN B1, low likelihood / negligible impact</p> <p>Direction of Travel: 22/23 Q1 B1; Q2 B1; Q3 B1; Q4 B1. 23/24 Q1 B1; Q2 B1; Q3 B1 </p> <p>Definition:</p> <p><i>Related to channel shift to more digital on-line services but retaining the availability of face-to-face services. Affecting the competitiveness of the service (in terms of cost or quality) and/or its ability to deliver best value.</i></p>

	<p>Key Risk Driver: Reputation</p> <p>Raw Risk Value: RED D4, high likelihood / major impact (adverse national publicity)</p> <p>Commentary:</p> <p>This risk refers to deliver of service to the customer and ensuring equal access for all.</p> <p><u>Actions completed to quarter 3:</u></p> <ul style="list-style-type: none"> • Monitoring of complaints in terms of number, underlying reasons and other trends is continuing. With closer work with waste Services to support in responses. • A new Customer Services Strategy to improve customer engagement and ensure customer service standards are maintained has been developed and approved. • Customer Services Outreach centre in Bestwood was launched and has been positive for residents. • Webchat now launched and has received a positive response from users. <p><u>Actions outstanding:</u></p> <ul style="list-style-type: none"> • Continue to monitor and respond as necessary to the impact upon the Council of potential staffing capacity issues in key areas. TARGET DATE: n/a. • Assess impact of staff movement in Customer services to support the implementation of the waste management system, risk may increase in quarter 4 as a result of this.
11	<p>FAILURE TO PREVENT DAMAGE TO THE COUNCIL'S REPUTATION</p> <p>Owner: Chief Executive</p> <p>Current Risk: GREEN B2, Low likelihood / minor impact</p> <p>Direction of Travel: 22/23 Q1 B2; Q2 B2; Q3 B2; Q4 B2. 23/24 Q1 B2; Q2 B2; Q3 B2</p> 

	<p>Definition:</p> <p><i>Related to the Council’s reaction to a specific event or issue, or generally a downturn in quality of service.</i></p> <p>Key Risk Driver: Reputation</p> <p>Raw Risk Value: RED D4, high likelihood / major impact (adverse national publicity)</p> <p>Commentary:</p> <p>The failure to effectively manage and control corporate risks as set out in this report would have a detrimental impact on the reputation of the Council. In recent months we have seen several councils issue warnings around finances, and for Gedling this continues to be our highest risk score. One of the major risks for all local authorities is to <u>not</u> meet their promises made in achieving climate change. For Gedling we aim to be carbon neutral by 2030.</p> <p><u>Actions completed to quarter 3:</u></p> <ul style="list-style-type: none"> • The Council has numerous actions for delivery as part of the Carbon Management Strategy Action Plan and work has continued on these. • The Corporate Environment Group has met to monitor delivery of carbon management actions and presented an update to Cabinet. <p><u>Actions outstanding:</u></p> <ul style="list-style-type: none"> • Individual officers, as well as the Corporate Environment Group, to continue to deliver actions as part of the Carbon Management Strategy Action Plan. TARGET DATE: n/a. • Senior staff management restructure to take place. TARGET DATE: April 2024.
12	<p>FAILURE TO REACT TO AN ENVIRONMENTAL INCIDENT OR MALICIOUS ACT</p> <p>Owner: Corporate Director</p> <p>Current Risk: AMBER C3, significant likelihood / serious impact</p>

Direction of Travel: 22/23 Q1 B1; Q2 B3; Q3 C3; Q4 C3.
23/24 Q1 C3; Q2 C3; Q3 C3



Definition:

Council reaction to a natural occurrence e.g. widespread flooding, or other events such as fire and explosions.

Key Risk Driver: Reputation

Raw Risk Value: RED D4, high likelihood / major impact (adverse national publicity)

Commentary:

Climate change is expected to require businesses (including Councils) and individuals to adapt their behaviour to reduce the potential of extreme weather events and other risks to public health. This risk also covers preparing for any potential malicious act.

During October the Council mobilised a response to the impacts of Storm Babet and its subsequent recovery actions. The Council is now taking a significant role in inspecting properties and facilitating recovery and improvement payments to local residents and businesses.


There was a high internal audit finding in relation to Business Continuity Plans *“The Council’s BIAs are out of date, of varying quality and the template does not adequately cover business continuity planning, although the Council are currently refreshing these.”* Actions have commenced in quarter 2 to address this.

Actions completed to quarter 3:

- .Departmental Business Continuity Plans largely completed, contractor to be procured to review and assist in corporate BCP completion.
- Corporate Management Team met to review BCPs and identify outstanding actions within departments.
- Winter plan review completed.

Actions outstanding:

- Update of corporate business continuity plan. TARGET DATE: March 2024 – external support now secured to finalise this.

	<ul style="list-style-type: none"> • Maintain a watching brief on the requirements of Martyn’s law (protection for the public from terrorism at public venues). TARGET DATE: n/a. • Continue delivery of flood grants scheme for properties affected by Recent Storms and finalise lessons learned from Babet and Henk. TARGET DATE : ongoing
13	<p>FAILURE TO REACT TO SOCIO-ECONOMIC TRENDS</p> <p>Owner: Chief Executive</p> <p>Current Risk: GREEN B2, low likelihood / minor impact</p> <p>Direction of Travel: 22/23 Q1 B2; Q2 B2; Q3 B2; Q4 B2. 23/24 Q1 B2; Q2 B2; Q3 B2 </p> <p>Definition:</p> <p><i>Relating to the effects of changes in demographic, residential, or socio-economic trends on the Council’s ability to meet its objectives.</i></p> <p>Key Risk Driver: Reputation</p> <p>Raw Risk Value: RED D3, high likelihood / serious impact (adverse regional publicity)</p> <p>Commentary:</p> <p>This risk relates to the long term view and horizon scanning of potential changes required and modes of delivery for our services.</p> <p><u>Actions completed to quarter 3:</u></p> <ul style="list-style-type: none"> • The Gedling Plan 2023-27 was finalised following a review of strategic direction in light of available resources and was approved by full Council on 2 March 2023. • Service Planning for 2024/25 has commenced with a focus on socio-economic data <p><u>Actions outstanding:</u></p>

	<ul style="list-style-type: none">• This long term work will require Gedling to work with partners from within the Nottinghamshire and Derbyshire regions to deliver a long term strategy as part of the new Mayoral authority from May 2024. TARGET DATE: n/a.
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HIGH RISK AUDIT RECOMMENDATIONS RAISED IN PREVIOUS YEARS BUT NOT YET IMPLEMENTED:

There are no high risk audit recommendations from previous years that have not been addressed and implemented, however there are some medium level actions from previous years in relation to contracts, procurement and risk which are currently being addressed and should be completed in 2023/24 as detailed in the internal audit follow up report.

HIGH RISK AUDIT RECOMMENDATIONS RAISED IN THIS FINANCIAL YEAR:

Up to Quarter 2 there have been two, one from the 'Workforce Strategy' audit and one from the 'Business Continuity and Emergency Planning' audit, and these have been included under risk 4 and risk 12 respectively.

During quarter 3 the internal audit on the main financial systems was undertaken with some high-risk recommendations due to the recent fraud coming out of this audit. The findings of the audit and a discussion of remedial actions taken so far will be discussed as an exempt part of this meeting.

APPENDIX 2 - RISK MANAGEMENT SCORING MATRIX

Likelihood	Very High	E				2	
	High	D			5,7		
	Significant	C			3,4,8,12	6	
	Low	B	10	1,11,13			
	Very Low	A			9		
			1	2	3	4	5
			Negligible	Minor	Serious	Major	Critical
			Impact				

APPENDIX 3 – RISK DEFINITIONS

	IMPACT				
	Negligible	Minor	Serious	Major	Critical
Financial Impact	£0 - £10k	£10k - £50k	£50k - £500k	£500k - £1M	£1M+
Service Provision	No effect	Slightly reduced	Significant elements of a service suspended/ reduced	Service suspended short term / reduced	Service suspended long term, statutory duties not delivered
Health & Safety	Sticking plaster/ first aider	Broken bones/ illness	Multiple injuries / illness	Loss of life / major illness	Major loss of life / large scale major illness
Objectives		Objectives of one section not met	Service objectives not met	Directorate objectives not met	Corporate objectives not met
Morale		Some hostile relationship and minor non co-operation	Major non co-operation	Industrial action	Mass staff leaving / unable to attract staff
Reputation	No media attention/ minor letters	Adverse local media	Adverse regional publicity	Adverse national publicity	Remembered for years!!
Government relations		Poor assessment	More than one poor assessment	Service taken over temporarily	Service taken over permanently

	LIKELIHOOD				
	Very Low	Low	Significant	High	Very High
Probability	< 10%	10% to 35%	35% to 65%	65% to 90%	> 90%
Timing	Next ten years	Next year to five years	Next 12 months	Next 6 months	Next week / this month