Report to Overview and Scrutiny Committee

Subject: Corporate Risk Management Review Quarter 3 2024/25

Date: 21 July 2025

Author: Chief Finance and Section 151 Officer

1. Purpose of the Report

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

> **Recommendations:**
>
> **That Members:**
>
> - Note the current risk level and actions identified within the Corporate Risk Register.

2. Background

The current Risk Management Strategy & Framework was approved and adopted by Cabinet on 28 March 2024. Following adoption of the new framework, a project has been underway to simplify the process of risk review and management by using the Council's performance management system, Ideagen to track risk.

All Assistant Directors and Senior Managers have now received training on the content of the new Risk Management Framework and have completed a review of departmental risks in the new Ideagen system. All risks have been rescored using the new scoring matrix in the framework (appendix 2) and all scores have been provided to show the gross risk (risk level at it's highest level without controls), the residual risk (the current risk score with controls) and the risk appetite score of the Council which is currently moderate, as approved within the framework.

Assessment of Corporate risks is now much more closely aligned with departmental risk levels as Ideagen provides a more effective way to track risk and mitigation actions.

The s.151 and Monitoring Officer have met as part of the Corporate Risk Board to review risk levels for quarter 3 and identify any gaps in risk reporting. As part of the risk management framework, further action is required to ensure that project risks are included on Ideagen and not held separately on individual risk templates. Further awareness of service risk and how these feeds into the corporate register will be provided to senior managers and risk owners as part of the Corporate Risk Board's ongoing work.

The risk framework 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.

3. Corporate Risk Register

The Corporate Risk Register is a key enabler of the Strategy and Framework and provides assurance on the key risks identified as corporate risks. This is the second quarterly report to the Committee using the new risk reporting system. In quarter 3 there has been an increase in risk level across two corporate risks as identified in the risk scorecard.

There has been an increase in risk 2 – Capacity for service delivery, this is following a review of capacity in ICT which has revealed a shortage in capacity, particularly following the departure of one team member. Given the significance of the ICT team in supporting the Council's service delivery this has caused the overall corporate risk level to raise from 6 – 12. The risk has become more likely as a thorough assessment of work to be undertaken in ICT has been completed identifying gaps in capacity versus service delivery. The impacts of insufficient resource in this area could have serious consequences for the Council's service delivery. Mitigatory actions have been put in place to address this with a review of structure undertaken early 2025 and the recruitment of additional staff.

The second risk increase relates to risk 9 ICT – Technology. This is also linked to capacity pressures in ICT. This risk level has increased from 6-9. Again mitigatory actions have been put in place to ensure appropriate structure review and recruitment can be undertaken.

No risks have reduced in level and none have decreased.

The Council's risk appetite is moderate, ideally all risks should be yellow or below, it is however accepted that the Council may take a higher tolerance to risk in some areas versus the reward, this decision is taken on a case-by-case basis.

The Corporate Risk Register and supporting comments as at the end of December 2024 are appended to this report, and this includes a summary of all control gaps

identified on the Council's Corporate Risk Register and any actions added to reduce the risk level further.

4. Financial Implications

None arising directly from this report.

5. Legal Implications

None arising directly from this report, the report is to provide reporting, in line with the Council's Risk Management Framework which is a requirement of the Accounts and Audit Regulations 2015.

6. Equalities Implications

None arising directly from this report, although EIA of all risks should be considered as part of any actions identified and controls in place.

7. Carbon Reduction/Environmental Sustainability Implications

None arising directly from this report, although Carbon Management forms part of the Environment category on the Corporate Risk Register.

8. Appendices

Appendix 1 - Corporate Risk Register Monitoring – Quarter 3, period ending 31 December 2024

Appendix 2 - Risk Management Scoring Matrix

Appendix 3 – Risk Definitions

Statutory Officer Approval	
Approved by:	**Chief Financial Officer**
Date:	**10 March 2025**
Approved by:	**Monitoring Officer**
Date:	**10 March 2025**

Appendix 1. Corporate Risk Register Q3 2024/25

Code	Corporate Risk	Gross Risk	Risk Appetite	Current Risk Score	Trend Icon	Assigned To	Description	Further Action	Q3 Review
CR001	Finance	12	4	9		Tina Adams	This refers to the ability of the Council to meet its financial commitments and/or the scale and pace of budget cuts. This relates to income and expenditure and includes internal budgetary pressures, savings/growth considerations, external economic changes etc.	Set budget for 2025/26 and the next medium-term plan (Completed – Feb 25).

Agree a set of new efficiencies for delivery (Completed – Feb 25).

Progress individual service budget reviews and zero-based budgeting, Waste competed PASC to be carried out in 2025-26. | Cabinet away day held in December further efficiencies agreed for 2025/26 Budget, risk will not reduce until all efficiencies needed have been identified and approved. Local Government settlement announced and included in the budget, although lower than expected we had budgeted in the MTFP prudently, so the impact was mitigated to some extent. Overspends in Environment still being monitored, waste staffing has been addressed. PASC reviews will follow. |

Code	Corporate Risk	Gross Risk	Risk Appetite	Current Risk Score	Trend Icon	Assigned To	Description	Further Action	Q3 Review
CR002	Capacity Service Delivery	9	4	12	⬆	Mike Hill	This is about ensuring that sufficient capacity is available to deliver services which meet statutory obligations, Council objectives etc and public expectation.	Succession planning audit to be completed, critical staff identified (Jun25) New recruitment & retention audit (Jun 25) Review recruitment policy/ procedures (Jun 25) Monitor impact of workforce capacity on Gedling Plan (Apr 25) Complete review of ICT structure to address capacity issues (Feb 25) Undertake recruitment exercise in waste services to address capacity issues and reduce agency spend. (Jan 25)	ICT – capacity issues have been identified, which have increased the departmental risk, this has impacted the Corporate Risk level combined with staffing shortages in waste services, causing overheating of agency budgets and impacting on the wellbeing of staff and service delivery.
CR003	Health & Safety at Work	12	3	9	➖	Francesca Whyley	This refers to Occupational Health & Safety.	All managers to develop risk assessments on new system (Jan 25)	No change to overall risk level, some H&S issues were identified in the

Code	Corporate Risk	Gross Risk	Risk Appetite	Current Risk Score	Trend Icon	Assigned To	Description	Further Action	Q3 Review
								Complete internal inspection of service areas and identify risks in relation to equipment/ safe systems at work (Jan 25). Complete a structure review of ICT services to ensure capacity and avoid any potential breach of working time directive. (Feb 25)	Depot in relation to the workshop and lighting, mitigatory action has been taken in the quarter to rectify. Overall Risk Assessment work is being carried out.
CR004	Environmental	12	4	9	▬	Francesca Whyley	This refers to the environmental impact on the public – it could be related to virus type illnesses or environmental incidents such as flooding which impact on health or related to events which have an impact on the natural environment such as pollution/contamination.	BIA review and rationalisation (due to restructures) will require a further review. Once all restructures have been completed. (Jan 25) Emergency Plan review (June 2025) Review Emergency Plan. (Mar 25) Review position with LRF arrangements (Mar 25).	No change to risk level in quarter three, Emergency Plan review put back to ensure business continuity plan work is finalised in quarter 4. Emergency Plan review June 2025.

Code	Corporate Risk	Gross Risk	Risk Appetite	Current Risk Score	Trend Icon	Assigned To	Description	Further Action	Q3 Review
CR005	Contractual Partnerships	12	4	9		Francesca Whyley	This refers to both the risks regarding partnership / contractual activities and the risks associated with the partnership / contract delivering services to the agreed cost and specification.	Revise implement new procurement process. (Mar 25) Produce new procurement strategy aligning the new procurement act. (Feb 25) Continue to develop the contracts register (Mar 25)	Procurement Act training was delivered to all officers and amended procurement procedure rules were agreed by Council in January. Procurement Manager post was advertised. We also advertised the opportunity for a shared service provider for procurement services
CR006	Reputation	12	4	2		Mike Hill	This relates to public perception / expectation and the impact of media attention.	Assess the adequacy of DBS checks across the leisure & Housing teams. (Jan 25). Implement project plan for delivery of trade waste service with effective communication to customers to reflect changes in legislation and ensure service has smooth transition. (Jan 25) Ensure active engagement in Local Government Re-	Effective controls on Local Government Reorganisation in a current working group to mitigate any risks associated with reputation.

Code	Corporate Risk	Gross Risk	Risk Appetite	Current Risk Score	Trend Icon	Assigned To	Description	Further Action	Q3 Review
								organisation and effective comms plan (Jan 25)	
CR007	Infrastructure Assets	16	4	12	▬	Mike Hill	This looks at the loss, protection and damage of physical assets and takes into account the need to maintain, protect, insure and plan for unexpected loss.	Asset management strategy needed. (Mar 25) Procure and asset management system (Dec 25) Review temporary accommodation for suitability and establish maintenance programme. (Mar 25) Maintenance and compliance schedules to be combined across Leisure, properties and Housing. (Jan 25) Progress demolition of large garage to support depot improvements. (Jan 25)	On going issues with Carlton Forum drainage. Need to progress demolition of the large garage in the Depot. Risk remains high
CR008	Legislative	12	4	6	▬	Francesca Whyley	This refers to changes to and breaches of current law leading to additional	Project Plan to be developed for waste changes (Jan 25)	Trade Waste Expansion project plan was agreed,

Code	Corporate Risk	Gross Risk	Risk Appetite	Current Risk Score	Trend Icon	Assigned To	Description	Further Action	Q3 Review
							workloads, fines, intervention by regulatory bodies etc.	Changes to Trade Waste Regime to include food waste and recycling (Mar 25) Ensure readiness for Procurement Act implementation, adoption of new procurement rules (FEB 25) Review staffing needs to deliver on waste changes (Jan 25)	including additional project resource. Staff Briefing on Depot Modernisation and changes to trade waste was undertaken. Ordered a food refuse truck. Advertised and agreed for additional waste operation staff, to prepare for changes in legislation. Delivered Procurement training for changes in the procurement Act.
CR009	ICT Technology	12	4	9	⬆	Kate Lindley; Francesca Whyley	This relates not only to the impact of Internal technology failure but also changing technological demands and the ability to meet the pace and scale of change.	Review cyber security risk register (Jan 25) Review staffing requirements within ICT including succession planning (Feb 25) Review ICT policies (Mar 25)	Risk level has increased due to shortage of Capacity identified in ICT team. Supplier issues with Migration to the Cloud for Core Financial System have been resolved but need to be monitored.

Code	Corporate Risk	Gross Risk	Risk Appetite	Current Risk Score	Trend Icon	Assigned To	Description	Further Action	Q3 Review
CR010	Projects	12	4	6		Mike Avery; Kate Lindley; Francesca Whyley	This relates to the effective management of projects to achieve delivery that is on time, to budget and that meet the needs of the organisation.	Review of project management templates and documentation to incorporate risk framework. (Feb 25) Establishment of corporate reporting mechanism for major contracts through making meetings matter project (Feb 25) Fin regs training to support project budgets effectively managed. (Mar 25).	No Change in risk levels. Work ongoing to resolve Governance arrangements and reporting on projects.
CR011	Fraud Bribery Misconduct	12	4	9		Tina Adams	Relates to improper actions committed against the Council either internally or by third parties. Including frauds, bribery, money laundering and misconduct e.g., theft, falsification of timesheets.	Review and update Anti-Fraud Strategy – (March 2025) Compile a Fraud Action Plan (March 2025) Monitors take up of training (Mar 2025) Fraud	Risk level remain the same until actions are completed in quarter 4.

Code	Corporate Risk	Gross Risk	Risk Appetite	Current Risk Score	Trend Icon	Assigned To	Description	Further Action	Q3 Review
								Communication on Staff Intranet – every 3 months Review, revise and publicise Fraud Response Plan (March 2025) In Person training to be undertaken for staff who don't have access to a computer (March 2025) Forensic review of other ICT systems including Civica (March 2025) User Access review and centralisation (July 2025)	
CR012	Service Standards Performance Management	9	4	4		Francesca Whyley	This relates to the setting of acceptable standards and levels of output for a service area and the processes put in place to ensure these are delivered and managed appropriately.	Establish appropriate corporate groups to monitor performance (budget and performance) (Feb 25) New approach to service planning to be agreed and plans developed for 25/26 (Mar 25)	Risk Remains the same until actions are completed in quarter 4.

Code	Corporate Risk	Gross Risk	Risk Appetite	Current Risk Score	Trend Icon	Assigned To	Description	Further Action	Q3 Review
								Create effective KPIs for performance management in 25/26 (MAR 25) Create centralised training needs analysis and plan (Apr 25) Develop ICT skills training for depot staff in preparedness for Whitespace system implementation (Mar 25)	
CR013	Information Data	12	4	9		Kate Lindley; Francesca Whyley	Security – this relates to physical and IT security on site and in-transit or inappropriate disclosure of information.	Refresh GDPR training (Mar 25) Create Register of Processing Activity in line with audit recommendations (Apr 25) Review of Identification and Verification processes across the Council, standard process to be agreed (Jan 25)	An identification and verification process has been developed. No change to risk level with actions to be completed in quarter 4.

Code	Corporate Risk	Gross Risk	Risk Appetite	Current Risk Score	Trend Icon	Assigned To	Description	Further Action	Q3 Review
								Review Retention policies (Mar 25) Review DPIA processes and raise awareness (Mar 25)	

APPENDIX 2 - RISK MANAGEMENT SCORING MATRIX AND RISK APPETITE

	Minor/Non-Disruptive Impact (1)	Moderately Disruptive Impact (2)	Serious Consequences (3)	Major Consequences (4)
Very Likely (4)	4 (Yellow)	8 (Orange)	12 (Red)	16 (Red)
Probable (3)	3 (Yellow)	6 (Orange)	9 (Orange)	12 (Red)
Possible (2)	2 (Green)	4 (Yellow)	6 (Orange)	8 (Orange)
Unlikely (1)	1 (Blue)	2 (Green)	3 (Yellow)	4 (Yellow)

Risk Levels	Colour
Negligible Risk	Blue
Low Risk	Green
Modest Risk	Yellow
Medium Risk	Orange
High Risk	Red

APPENDIX 3 – RISK DEFINITIONS

LIKELIHOOD

4	**Very Likely** >90%	• Event expected to occur. Has occurred and will continue to do so without action being taken. • Indication of imminent occurrence • There are external influences which are likely to make our controls ineffective
3	**Probable** 60-90%	• There is a moderate exposure to the risk. • Reasonable to expect event to occur within a year. • Has occurred in the past. • Is likely to occur within the Council's planning cycle. • There are external influences which may reduce effectiveness of controls
2	**Possible** 30-60%	• There is a low exposure to the risk. • Little likelihood of event occurring - 1 in 10 years • There is a potential for external influences which may reduce effectiveness of controls
1	**Unlikely** 0-30%	• Extremely remote • Not expected to occur but may do so in exceptional circumstances - 1 in 100 years. • There are few or no external influences which may reduce effectiveness of controls

IMPACT

Score	Description	Indicative Guidelines
4	**Major Consequences**	The consequence is so bad that urgent action must be taken to improve the situation or prevent it worsening. External support from the Government or other agencies is likely to be needed: • Catastrophic loss, delay, or interruption to services • Level of financial loss, additional costs, or loss of assets which the Council is unable

			to resource without additional Government/External support.
			• One off event which would de-stabilise the Council over several years.
			• The risk will cause the objective not to be reached, causing damage to the organisation's reputation.
			• Will attract medium to long-term attention of legislative or regulatory bodies.
			• Major complaints
			• Significant adverse media interest
			• Death or life-threatening injury
3	**Serious Consequences**		The consequences are sufficiently serious to require attention by Cabinet and/or full Council:
			• Loss of key assets or services for an extended time period.
			• Longer term impact on operational efficiency or performance of the Council or crucial service areas
			• Financial loss, additional costs or loss of assets which would need a Council decision as the scale of the loss would be outside the Council's budget & policy framework.
			• The risk would destabilise the Council in the short term.
			• The intended objectives are unlikely to be met leading to negative impact on the Council's reputation and a significant number of complaints.
			• Will lead to attention for regulators and External Auditors for a significant time.
			• Major accident/injuries (but not life-threating)
2	**Moderate/ Disruptive**		The consequence is sufficient to require attention by Leadership Team and cannot be managed within a Service Area
			• Significant loss, delay, or interruption to a service.
			• Medium term impact on operational efficiency or performance
			• Financial loss, additional costs or loss of assets that is within the Council's budget & policy framework but needs a Statutory Officer decision, Leadership Team

			decision, Cabinet decision or needs to be drawn to Cabinet's attention. • The risk will cause some elements of the objective to be delayed or not achieved, causing potential damage to the organisation's reputation. • May attract medium to short term attention of legislative or regulatory bodies. • Significant complaints • Serious accident / injury (but not life threatening)
1	**Minor/Non-Disruptive**	The consequences can be dealt with as part of the normal day-to-day business by the Team Manager and the Head of Service: • Minor loss, delay, or interruption to services • Short term impact on operational efficiency or performance • Negligible financial loss • The risk will not substantively impede the achievement of the objective, causing minimal damage to the organisation's reputation. • No or minimal external interest. • Isolated complaints • Minor accident / injury