

Extract from the draft minutes of the Cabinet meeting of 6 September 2023

781. 2022/23 Year End Review of Risk Management

The Corporate Governance Manager submitted a report a copy of which had been circulated to each Member.

Councillor Sunnucks attended and with the consent of the Chair addressed Cabinet. The Risk Management Strategy and risk matrix missed some of the major risks, which were project risks. He had requested a copy of the project risk register but it had not been provided. Cabinet needed to ensure that there was such a register of project risks and that it was properly scrutinised. The risks around the details of projects such as Northern Gateway needed to be understood.

Councillor King, Leader of the Council and Portfolio Holder for Strategy, explained that Governance and Audit Committee had endorsed the approach taken to risk management because it saw that Cabinet and officers appreciated risk and saw it as a live issue that needed to be constantly evaluated. Project management risk needed to be understood and considered in the proper context, such as within the review of the capital programme. The risks around Northern Gateway were considered and addressed and would be taken into account in the context of the changing market. The forthcoming workshop would be an opportunity to look at this issue and relevant information would be provided in advance of the workshop.

Councillor Cory, Portfolio Holder for Resources, explained that there was not a register including all the projects the Council was involved in. It would not be feasible to include all projects on the risk register as there were projects of many different types and levels and it would become unworkable. The risks associated with capital projects were looked at and he would consider further how these could be put forward to give further transparency.

Pam Donnelly, Chief Executive, was invited to comment and explained that risk was a top priority for the Senior Leadership Board and it reviewed the Strategic Risk Register in detail monthly. Every decision making report included an assessment of risk management implications. In line with Local Government Association best practice, the three statutory officers met once a month and considered risk issues. The Strategic Risk Register was a construct of a number of sub registers. The forthcoming workshop was a critical opportunity to expose in a safe environment the levels of risk within the Council and within the capital programme. Detailed information was being prepared and she would personally assess it and ensure it was meaningful.

Councillor Jay, Portfolio Holder for Economy, Transformation and Performance, introduced the report and explained that it was a broad overview at a strategic level. The Cabinet could take confidence from the fact it was being reviewed at a senior level

within the Council and from the reassurance from Governance and Audit Committee. The report and supporting documents should be endorsed on that basis.

RESOLVED that:-

- (a) The Council's progress and performance in managing risk during the period from April 2022 to March 2023 be noted.
- (b) The current strategic risk register be approved.
- (c) The proposed Risk Management Strategy for 2023/24 be approved and *RECOMMENDED* to Full Council that it be included in the Council's Policy Framework.

REASONS

Cabinet has overall ownership of the risk management process and is responsible for endorsing its strategic direction. Therefore, the risk management strategy states that Cabinet should receive an annual report on progress and should formally agree to any amendments to the strategy itself.

During the year progress reports are presented to the Governance and Audit Committee, detailing work undertaken and current issues. This report was presented to the Governance and Audit Committee on 1 August 2023, where they approved its referral to this meeting.

As part of the Policy Framework, any changes and reviews of the Strategy need to be approved by Cabinet and ratified by Full Council.

ALTERNATIVE OPTIONS

No alternative options were presented to Cabinet.