



Open Report on behalf of Andrew Crookham, Deputy Chief Executive & Executive Director - Resources

Report to:	Audit Committee
Date:	25 March 2024
Subject:	Risk Management Annual Report

Summary:

The Committee is responsible for overseeing the effectiveness of the Council's risk management arrangements, challenging risk information and escalating issues to the Executive.

The Committee needs to gain assurance over the effectiveness of systems and processes in place to enable decision makers to understand the level of risk being taken and that the Council is prepared to accept. The Committee has responsibility to monitor effective development and operation of risk management and corporate governance across the Council.

This report assists the Committee in fulfilling that role, by providing an update on how well the Council's strategic risks are being managed along with a summary of key objectives achieved in the past year.

Recommendation(s):

That the Committee notes the current status of the strategic risks facing the Council seeking assurance over the adequacy of the Council's governance of risk, and control environment; and makes recommendations on any further scrutiny requirements or actions.

That the Committee notes the objectives achieved this year and those planned for the future and makes any recommendations for any further actions required.

1. Background

- 1.1 In accordance with the risk management strategy and to ensure effective monitoring, all the strategic risks have been reviewed with risk owners and assurances obtained relating to their management.

- 1.2 As part of the review process 2 new risks have been identified. The risk relating to Lincolnshire Fire and Rescue was initially introduced in the combined risk report, presented in February 2024. The second new risk relates to the increase in extreme weather events. Currently controls are predominantly new and developing as the understanding of the risk improves. As the impact of the controls progress, it is likely that the controls will become measured and further controls can be developed.
2. Two risks previously on the register are now considered to be able to be removed from the strategic risk register due to the effective mitigation of the controls put in place. These are the risk relating to the Serco contract and the inflation risk.

1.3 All risks have now been updated in accordance with the new risk matrix.

1.4 All service areas now have risk registers demonstrating the continued improvements in embedding risk management across the whole organisation supported by training provided and updating processes following feedback received.

2. Conclusion

2.1 The Council's strategic risks continue to be managed pro-actively.

2.2 There is a strong level of awareness around both current and emerging risks, with action being taken appropriately. This is demonstrated through the changes to some of the risks within the strategic risk register.

2.3 To maintain high levels of assurance, all risks, strategic and operational need to be regularly reviewed by the risk owners and updates provided.

2.4 To progress and further strengthen our approach to risk management, the team's next steps will include a focus on risk capacity as well as a review and possible re-visit of the current risk appetite.

3. Consultation

a) Risks and Impact Analysis

N/A

4. Appendices

These are listed below and attached at the back of the report	
Appendix A	Risk Management Annual Report
Appendix B	Strategic Risk Register
Appendix C	Strategic Risk Register (EXEMPT) <i>This appendix is not for publication by virtue of paragraph 3 of part I of Schedule 12A of the Local Government Act 1972.</i>
Appendix D	Risk Matrix and Assurance Statements

5. Background Papers

No background papers within Section 100D of the Local Government Act 1972 were used in the preparation of this report.

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