



Open Report on behalf of Andrew Crookham, Deputy Chief Executive and Executive Director – Resources

Report to:	Audit Committee
Date:	5 February 2024
Subject:	Combined Risk Report February 2024

Summary:

The purpose of this report is to provide an overview of the risk profile of Lincolnshire County Council (LCC). The report provides assurance from the Corporate Leadership Team around the organisational ability to identify key risks and ensure management of them.

The Chief Executive, Executive Directors and Chief Fire Officer will be present to respond to any questions relating to key risks.

Recommendation(s):

That the Committee review the Combined Risk Report February 2024 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

Background

1. Previously levels of assurance were provided through the combined assurance report. By moving the focus away from the critical work streams to the key risks faced by the authority, it is intended to further strengthen assurance understanding. This is the first combined risk report and with the support of services and directorates has resulted in a comprehensive view of the current risk picture across the whole of the organisation. Risk registers are now in place for all services for the first time at LCC.
2. The information gathered for the service risk registers enabled constructive and challenging discussions with all Assistant Directors (ADs), followed by discussions with all Executive Directors (EDs), the Chief Fire Officer, and our Chief Executive. This demonstrated there was a high level of awareness of current and emerging risks that could impact services. In addition, the risk data was used to identify high

risks, recurring risk themes and low or limited assurance risks which will drive further areas of work to strengthen risk mitigation and control.

3. The corporate assurance level is substantial.
4. Directorate assurance levels are adequate, with the exception of Children's Services which is substantial.
5. Risk identification and assessment is embedded.
6. Analysis of the risk data gathered shows key the risk themes across the directorates. these are:
 - Recruitment and retention
 - Increased demand on services
 - Increasing cost pressures
 - National political changes in legislation
 - Loss of IT systems (both internal and external)
7. Risk mitigation and specifically the controls applied, is an area where further work is required to support assurance levels. This is especially relevant to externally sourced and influenced risks which often require intensive work to mitigate the impacts rather than being able to affect the likelihood of the risk occurring.

Conclusion

1. This report provides a good level of assurance on how well risks are managed across Lincolnshire County Council.
2. The Combined Risk Report provides the Committee with a good level of understanding of the risk profile supporting its role and remit.
3. In reviewing the Combined Risk Report the Committee may wish to consider:
 - Seeking direct assurances from the Corporate Leadership Team on how they consider the results of the risk detail given
 - If the assurance levels given are adequately evidenced
4. To progress and further strengthen our approach to risk management, the team's next steps include:
 - Applying the revised assurance statements to all directorate risk registers for consistency.
 - Requesting and responding to feedback from delivering this process of assurance on risk delivery and management.
 - Developing risk management dashboards for directorates and corporately to provide a clearer view of risk data.
 - Continue to develop application of controls and mitigations initially focusing on the high risks with limited assurance.

- Using the comprehensive risk data to develop our understanding of the relationship between risk tolerance, risk appetite and risk exposure.

a) Risks and Impact Analysis

None

Appendices

These are listed below and attached at the back of the report	
Appendix A	Combined Risk Report February 2024

Background Papers

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

This report was written by Mandy Knowlton-Rayner, who can be contacted on 01522555675 or Mandy.knowlton-Rayner@lincolnshire.gov.uk.

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