



NORWICH City Council

Committee name: Cabinet

Committee date: 07/02/2024

Report title: 2023/24 Quarter 3 – Risk Register

Portfolio: Councillor Kendrick, cabinet member for resources

Report from: Interim Chief Finance Officer

Wards: All wards

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Purpose

This report provides an update to the council's corporate risk register based on the position for quarter three (December 2023).

Recommendation:

To note the identified risks and the direction of travel.

Policy framework

The council has five corporate priorities, which are:

- People live independently and well in a diverse and safe city.
- Norwich is a sustainable and healthy city.
- Norwich has the infrastructure and housing it needs to be a successful city.
- The city has an inclusive economy in which residents have equal opportunity to flourish.
- Norwich City Council is in good shape to serve the city.

This report meets the Norwich City Council is in good shape to serve the city corporate aim.

Introduction and background

1. Heads of Service and other risk owners were asked to update their directorate and corporate registers to reflect the position at the end of quarter (December 2023) Directorate level risks are reviewed by the relevant management team and are escalated to the Corporate Risk Register, for consideration by the Executive Leadership Team (ELT) where the residual risk exposure supports that action.
2. The Corporate Risk Register is shown at Appendix A with a report included on the exempt agenda detailing a further three risks. The position at the end of quarter 2 (up to 30 September) was reported to Cabinet in November. There have not been significant changes in the Council's risk profile at the end of this quarter.
3. Significantly the risk associated with health and safety compliance in council homes and buildings has been removed from the Corporate Risk Register, moving to be managed at a Directorate level, following the formal notification from the Social Housing Regulator that they were satisfied with the progress made in addressing the issues which led to the council self-referring itself for breaches.
4. The environment in which the council operates remains relatively high risk as the financial environment is challenging both in terms of the economic and the funding position. The council has now considered the provisional finance settlement provided in December and is progressing its main budget and council tax setting reports for Full Council approval in February.
5. Inflation has recently fallen from double digit levels but still remains significantly above the government's long term target rate placing demands on the council, its partners and residents. The absence of any spending review totals beyond the budget for 2024/25 makes longer term financial planning all but impossible. Further uncertainties also are apparent in relation to the timing and outcome of the general election.
6. Previous reports have highlighted the situation over nutrient neutrality. It was initially understood that the government would be seeking to amend the Levelling Up and Regeneration Bill to resolve the nutrient neutrality challenge. This amendment was defeated, and so was not included in the final Levelling Up and Regeneration Act. The risk related to nutrient neutrality therefore remains unchanged at this stage, although the council continues to consider the development of the Norfolk joint venture company. Additional funding has been provided to Broadland District Council as lead authority for the Nutrient Mitigation Fund (NMF) expression of interest, which was submitted in May 2023. The NMF seeks to help address nutrient neutrality across all the affected Norfolk local planning authorities and the council is engaged with the lead authority about establishing processes for the fund to be accessed by providers with appropriate governance and financial requirements met.
7. The relevant service leads have identified that progress is being made with corporate risks 3 and 6 and they are confident that there will be movement on the risk scoring in the next quarter. The council continues to keep a watching brief on all key risk areas. In that same vein, the Council is also in the process of updating its risk management policy to ensure that risks are properly managed and that there is adequate guidance.

Consultation

8. There has been no specific consultation on these proposals.

Implications

Financial and resources

9. Any decision to reduce or increase resources or alternatively increase income must be made within the context of the council's stated priorities, as set out in its Corporate Plan 2022-26 and budget.

10. There are no proposals in this report that would reduce or increase resources.

Legal

11. Identification and consideration of its corporate risks is an important governance function of the cabinet to ensure that appropriate action is being taken to ensure the Council takes lawful decisions and mitigates exposure to risk. The audit committee also exercises similar oversight and collectively this is designed to ensure that the council understands and is in a position to respond to risks as they arise.

Statutory considerations

Consideration	Details of any implications and proposed measures to address:
Equality and Diversity	N/A
Health, Social and Economic Impact	N/A
Crime and Disorder	N/A
Children and Adults Safeguarding	N/A
Environmental Impact	N/A

Risk management

Risk	Consequence	Controls required
The council is exposed to risks which need to be identified recorded and managed appropriately	Not managing risks appropriately exposes the council to a range of potential negative outcomes ranging from financial loss to impacts on its reputation.	The risk register provides a focus to consider risk management and in particular mitigations. Other broader mitigations such as insurances also support the council's management of risk.

Other options considered

12. As the report is primarily for information no other options have been considered.

Reasons for the decision/recommendation

13. It is important for the Cabinet to understand the risks that the council is

exposed to and the mitigations in place to minimise those risks to acceptable levels.

Background papers: None

Appendices:

Appendix A Summary Risk Register

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Appendix A

Risk (inc reference)	Q2 2023/24		Q3 2023/24		Current direction	Last Review Date
	Residual risk score	Target risk score	Residual risk score	Target risk score		
CORP01 Council Funding Medium - Long Term	12	8	12	8	Static	25/01/2024
CORP03 Health & safety in the workplace	12	8	12	8	Static	09/01/2024
CORP06 Failure to respond to a critical, business continuity or emergency planning event	12	6	12	6	Static	09/01/2024
CORP07 Cyber security	15	15	15	15	Static	08/11/2023
CORP09 Failure to fulfil statutory or legislative responsibilities - safeguarding	15	12	15	12	Static	20/01/2024
CORP12 Contract management - governance	9	4	6	4	Improving	08/01/2024
CORP15 Failure to draw down £15m of Housing Infrastructure Fund (HIF) money previously secured from Homes England (HE) to assist with the delivery of Anglia Square.	12	8	12	8	Static	09/01/2024
CORP17 Failure to deliver acceptable levels of performance in regulatory services	12	8	12	8	Static	09/01/2024
CORP18 Failure to address Natural England advice on Nutrient Neutrality (NN)	15	10	15	10	Static	09/01/2024
CORP20 Cost of living (COL) crisis has a negative impact on the city and the council	16	12	16	12	Static	13/12/2023
CORP21 Climate Change risk to Council and its residents	16	12	16	12	Static	22/01/2024
CORP23 Impact of economic downturn on key council suppliers	12	8	12	8	Static	01/01/2024
CORP24 Temporary and Supported Accommodation - Reducing the Housing Benefit Subsidy gap	15	12	15	12	Static	12/01/2024