



NORWICH City Council

Committee name: Cabinet

Committee date: 05/02/2025

Report title: Corporate Risk Register 2024/25 – Quarter 3

Portfolio: Councillor Kendrick, cabinet member for an open and modern council

Report from: Interim Chief Finance Officer

Wards: All wards

OPEN PUBLIC ITEM

Purpose

This report provides an update to the council's corporate risk register based on the position for quarter three (December 2024).

Recommendation:

It is recommended that the cabinet notes the identified risks and the direction of travel.

Policy framework

The Council has five corporate priorities, which are:

- A prosperous Norwich.
- A fairer Norwich.
- A climate responsive Norwich.
- A future-proof Norwich.
- An open and modern council.

This report meets the “An open and modern council” corporate priority.

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 three (December 2024). 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. The position at the end of quarter two (up to 30th 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. The environment in which the council operates remains relatively high risk as the financial environment is challenging both in terms of the funding and economic position. The council approved its main budget and council tax setting reports at Full Council in February 2024. Financial planning and the budget setting process for the 2025/26 budget is in progress. On the horizon, the Government has announced more fundamental reform of local government financing with effect from 2026 – 2027. The reform could include multi-year financial settlements, which will aid longer term financial planning, as well as a review of fundamentals that will potentially equate to what has previously been referred to as the Fair Funding Review. Details are yet to be confirmed but this could also potentially include changes to Council Tax, Business Rates and local government grant funding.
4. UK Inflation has fallen from double digit levels and the latest CPI figures announced in January for the year to December 2024 showed an unexpected fall in inflation from 2.6% to 2.5%. The surprise fall in inflation was the first for three months, but overall prices continue to rise faster than the Bank of England's 2% target. Financial markets are still forecasting, a cut in the Bank of England interest base rate in the first quarter of 2025. Interest rates currently stand at 4.75%. Although currently there is better news on inflation figures and potential interest rate cuts to come, overall the UK economy is performing worse than expected and there is pressure on government finances as the UK borrows more than expected and borrowing costs increase.
5. The council continues to keep a watching brief on all key risk areas and as a result four risks show as 'improving' as result of mitigating actions to manage the risks.
6. 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

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

Implications

Financial and resources

8. 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.

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

Legal

10. 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

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

Reasons for the decision/recommendation

12. 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 2024/25		Q3 2024/25		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	9-Jan-25
CORP03 Health & safety in the workplace	12	8	9	8	Improving	24-Dec-24
CORP06 Failure to respond to a critical, business continuity or emergency planning event	12	6	9	6	Improving	24-Dec-24
CORP07 Cyber security	15	15	15	15	Static	17-Dec-24
CORP09 Failure to fulfil statutory or legislative responsibilities - safeguarding	15	12	15	12	Static	9-Jan-25
CORP12 Contract management - governance	6	4	6	4	Static	9-Jan-25
CORP17 Failure to deliver acceptable levels of performance in regulatory services	12	8	12	8	Static	24-Dec-24
CORP18 Failure to address Natural England advice on Nutrient Neutrality (NN)	20	10	15	10	Improving	24-Dec-24
CORP20 Cost of living (COL) crisis has a negative impact on the city and the council	16	12	16	12	Static	20-Dec-24
CORP21 Climate Change risk to Council and its residents	20	15	20	15	Static	20-Dec-24
CORP23 Impact of economic downturn on key council suppliers	12	8	12	8	Static	9-Jan-25
CORP24 Temporary and Supported Accommodation - Reducing the Housing Benefit Subsidy gap	15	12	15	12	Static	9-Jan-25
CORP29 Contact centre staff risk	16	9	16	9	Static	23-Dec-24
CORP31 Recruitment	16	9	12	9	Improving	10-Jan-25