

Report to: Audit and Governance Committee



Date of Meeting 28 January 2021

Document classification: Part A Public Document

Exemption applied: None

Review date for release N/A

Full Risk Review November / December 2020

Report summary:

Risk information for the 2020/21 financial year is supplied to allow the Audit and Governance Committee to monitor the risk status of Strategic and Operational Risks. This follows the full review of risks by responsible officers during November / December 2020.

Recommendation:

That the Audit and Governance Committee considers the current status of risks following the full risk review undertaken in November / December 2020.

Reason for recommendation:

To ensure that the Risk Management Policy and Guidance is being followed and all risks are being monitored and control actions implemented.

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Portfolio(s) (check which apply):

- Climate Action
- Coast, Country and Environment
- Corporate Services and COVID-19 Response and Recovery
- Democracy and Transparency
- Economy and Assets
- Finance
- Policy Co-ordination and Regional Engagement
- Strategic Planning
- Sustainable Homes and Communities

Financial implications:

No direct financial implications

Legal implications:

There are no direct legal implications

Equalities impact Low Impact

Climate change Low Impact

Risk: High Risk; Failure to identify, assess, monitor, review and manage risks could impact negatively (i.e. financial, reputational, operationally) on the council.

Links to background information

[Appendix A – Full list of Operational Risks November / December 2020](#)

[Appendix B – Strategic Risks November / December 2020](#)

[Appendix C – Explanations and definitions](#)

Link to [Council Plan](#):

Priorities (check which apply)

- Outstanding Place and Environment
- Outstanding Homes and Communities
- Outstanding Economic Growth, Productivity, and Prosperity
- Outstanding Council and Council Services

Report in full

1. As part of our corporate governance it is appropriate that we maintain and manage a risk register. The risk register allows us to highlight any risks to our organisation and set out how we are going to mitigate against their impact and likelihood.
2. Our risk management policy requires all risks identified by the council to be reviewed bi-annually. Through the month of November the risk owners were tasked with reviewing their risks in the SPAR system. The complete operational risk register is provided for the Committee to review at [Appendix A](#). This is listed by service area and includes all of the control actions. There are now 94 operational risks, all of which have been reviewed and re-scored in light of all mitigating actions being undertaken and in relation to the on-going pandemic. All services were asked to highlight any new and emerging risks with no new risks being put forward at this review
3. The implications of Covid-19 has been reflected at individual risk level and updates where appropriate can be found in the comments section of each risk.
4. In the operational risk register there are two risks currently scored as high.
 - **Failure of LED Leisure through budget, legal, or reputational issues**
LED income and activities have been severely impacted by the Covid-19 pandemic and the associated lockdowns/restrictions. LED have been reliant on the Council increasing its subsidy to remain viable and the Council will be seeking to recover its costs through government support for the leisure industry. New monitoring and liaison arrangements have been agreed going forward to focus on leisure needs and affordability.
 - **Ambitions for economic growth on the Council Plan are not met**
Paper brought to Cabinet regarding economic response and recovery. This highlighted the impacts from the Covid-19 pandemic on the economy of the District. In particular this highlighted the differential impacts on particular age/income groups, places and business sectors. Further reports will be forthcoming setting out the resources that can be marshalled to support recovery in line with the Team Devon approach.
5. The tables below set out the number of risks in each service by score.

Finance	High	Medium	Low
<i>Risks by score</i>		4	8

Economy	High	Medium	Low
<i>Risks by score</i>	1	8	6

Housing	High	Medium	Low
<i>Risks by score</i>		14	6

Environment	High	Medium	Low
<i>Risks by score</i>	1	9	3

Governance & Licensing	High	Medium	Low
<i>Risks by score</i>		8	6

Organisational Development	High	Medium	Low
<i>Risks by score</i>		2	8

One of the operational risks has been removed from the operational risk register as the project is now closed.

- **Delivery of the Greater Exeter Strategic Plan with the published timescales** - East Devon District Council are no longer part of the GESP and so this risk will be archived.

6. As part of this review our strategic risks have also been reviewed by their owners and are now submitted for Committee's consideration.

There are 10 risks on the strategic register, more details for each risk can be seen in [Appendix B](#).

List of strategic risks

- Adequacy of financial resource planning to deliver the Council's priorities
- Delivery of Growth Point
- Adequate emergency planning and business continuity
- Failure to adequately protect staff health and safety at work
- Failure to ensure the Council's sustainability
- Increased homelessness
- Failure to ensure that our corporate property portfolio is fully compliant with legal requirements.
- Major disruption in continuity of computer and telecommunications services
- With the on-going Brexit negotiations and the uncertainties around our deal to leave the EU there implications for us to deal with
- Retaining and strengthen a collective approach to decision making to ensure we avoid poor decision making effecting our performance and our reputation

Strategic Risks	High	Medium	Low
<i>Risks by score</i>	0	10	0

7. An explanation and definitions of these risks including the risk matrix can be found in [Appendix C](#).