

Report for: **Audit Committee – 11 March 2025**

Item number: **13**

Title: **Updated Corporate Risk Register**

**Report
authorised by :** **Taryn Eves, Director of Finance**

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Ward(s) affected: **N/A**

**Report for Key/
Non Key Decision:** **N/A**

1. Describe the issue under consideration

- 1.1 The Audit Committee is responsible for providing assurance about the adequacy of the Council's Risk Management Framework and Policy and monitoring the effectiveness of systems for the management of risk across the Council and compliance with them as part of its Terms of Reference.
- 1.2 Under its terms of reference, the Committee is also required to note the Council's Corporate Risk Register and be satisfied appropriate mitigating actions are being completed in a timely manner.

2. Cabinet Member Introduction

- 2.1 Not applicable.

3. Recommendations

- 3.1 The Audit Committee is asked to note the Corporate Risk Register as at 31 January 2025, attached at Appendix A.

4. Reasons for decision

- 4.1 The Corporate Risk Management Policy and Strategy sets out the assurance framework of the Council; how risk management fits with other management and operational functions; and the roles and responsibilities of members and officers in the risk management process. The Audit Committee is responsible for reviewing and approving the Risk Management Policy as part of its Terms of Reference and the committee approved the Policy in October 2024. The Committee also receives regular updates on the Council's Corporate Risk Register and the accompanying guidance (attached at Appendix B).

5. Alternative options considered

- 5.1 Not applicable. The requirement to have a corporate risk management policy and strategy is recommended best practice and forms part of the overall assurance framework of the Council. Further, the identification of risks as part of a risk management process is considered essential as part of a good governance framework.

6. Background information

- 6.1 The Corporate Risk Management Policy and Strategy has been reviewed to incorporate changes to the Council's approach, to ensure it is fit for purpose for the future and meets current good practice requirements.
- 6.2 The full Corporate Risk is attached at Appendix A. The Corporate Leadership Team last reviewed and discussed the full register on 20 February 2025. The profile of the Council's residual risk is shown in the table below.

I M P A C T	Catastrophic (5)			6,8	2,12, 9	1
	Severe (4)		8	11, 13	5	
	Material (3)			7		
	Minor (2)					
	Negligible (1)					
		Rare (1)	Unlikely (2)	Possible (3)	Probable (4)	Almost Certain (5)

LIKELIHOOD

- 6.3 The main changes to the corporate risk register are as follows:

Risk 1 - Maintaining and strengthen financial viability/balance across MTFP including failure to deliver identified savings – the forecast score has increased from “10” to “20” and future actions updated.

Risk 2 - Non-delivery of transformational change due to lack of corporate change functions. The risk wording has been updated with emphasis on lack of corporate change and the future risk increased from “8” to “12”.

Risk 9 - Failure to prepare for the impact associated with climate change, including air quality and pollution, extreme weather (e.g. flooding, heat). The future risk has increased from “12” to “20” and the future actions updated.

Risk 6 - Serious Cyber Security Incident leading to all or multiple council systems shutdown and/or council unable to undertake business and/or

significant ICO fine & reputational damage due to data breach, malware outbreak, phishing or ransomware attack. The future risk has decreased from “20” to “12” and the future actions updated.

Risk 7 - Failure to fully integrated functions transferring into the Council from Fusion, including culture and operations to improve performance. This risk has been removed and updated following the insourcing of leisure services. The new risk is “Failure to transform insourced leisure services including culture and operations to improve performance” and has a residual risk score of “9”.

Risk 11 - Failure to instigate arrangements for the proper management of Council property (including commercial and administrative buildings). The implementation date has been changed from 31/3/2025 to 31/12/2026.

Risk 3 - Impact of significant external economic factors, affecting service delivery, the local economy, employment opportunities and cost of living for residents. This risk has been removed from the corporate risk register.

- 6.4 Following a tender process to acquire a centralised and dedicated risk management system to capture and manage risks, the authority has procured JCAD Core. The system is being configured and will go live from 1 April 2025. It is envisaged that by moving away from a manual, spreadsheet based risk management approach, the use of a dedicated system will allow risk and action owners to be more risk aware and improve the practice of risk management across the organisation.

7. Contribution to the Corporate Delivery Plan 2024-2026 High level Strategic outcomes

- 7.1 The internal audit work makes a significant contribution to ensuring the adequacy and effectiveness of internal control throughout the Council, which covers all key priority areas.

8. Carbon and Climate Change

- 8.1 There are no direct Carbon implications arising from this report.

9. Statutory Officers comments (Chief Finance Officer (including procurement), Assistant Director of Legal and Governance, Equalities)

- 9.1 Finance and Procurement

Finance

There are no direct financial implications arising out of this report as the work associated with updating and monitoring the Council's corporate risk approach is included within service areas' revenue budgets.

The risks included in the corporate risk register could have significant financial implications for the Council if they were to materialise. Regular review and monitoring of existing and emerging risks helps to mitigate any potential financial implications.

Procurement

Strategic Procurement note the contents of this report and have been consulted on the relevant audits where required.

Actions arising related to procurement and the letting of contracts are contained within the relevant audit reports and will be actioned accordingly.

9.2 **Assistant Director of Legal & Governance - Benita Edwards Head of Legal Services**

Approval of the Corporate Risk Management Policy is a matter for Audit Committee, whose terms of reference and statement of purpose provide –

The Committee's purpose is to provide an independent and high-level focus on the adequacy of governance, risk and control arrangements. Its role in ensuring there is sufficient assurance over governance, risk and control gives greater confidence to all those charged with governance that those arrangements are effective.

The Committee has oversight of both internal and external audit, together with the financial and governance reports, helping to ensure there are adequate arrangements in place for both internal challenge and public accountability.

Accordingly, there are no legal reasons why Audit Committee should not approve the recommendations in this report.

9.3 Equality

The Council has a public sector equality duty under the Equality Act (2010) to have due regard to:

- tackle discrimination and victimisation of persons that share the characteristics protected under S4 of the Act. These include the characteristics of age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex (formerly gender) and sexual orientation;
- advance equality of opportunity between people who share those protected characteristics and people who do not;
- foster good relations between people who share those characteristics and people who do not.

There are no direct equality implications arising out of this report.

10. **Use of Appendices**

Appendix A – Corporate Risk Register as at 31 January 2025

Appendix B – Risk Management Guidance

11. **Background Information**

None