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Annual Assurance report on Corporate Risk and Resilience.

Date: 25th November 2024

Report of: Interim Assistant Chief Executive, People, Digital & Change

Report to: Corporate Governance and Audit Committee

Will the decision be open for call in?   ☒ Yes ☐ No

Does the report contain confidential or exempt information?   ☐ Yes ☒ No

Brief summary

This report provides the Corporate Governance & Audit Committee with assurances relating to the adequacy of the risk and resilience controls currently in place in the council; that they are up to date, fit for purpose, embedded and routinely applied.

The term 'Risk and Resilience' covers the three inter-related areas of Risk Management, Emergency Planning and Business Continuity Management:

- Risk Management involves identifying the risks and threats that could impact on the ability to meet our objectives, assessing those risks to determine their significance and then putting in place arrangements to manage or mitigate them.
- Emergency Planning relates to how the council prepares and responds to risks and emergencies of a resilience nature.
- Business Continuity Management is a process that helps manage risks to the smooth running of an organisation or delivery of a service, ensuring continuity of critical functions in the event of a disruption, and effective recovery afterwards.

Recommendations

a) Corporate Governance & Audit Committee is asked to receive the annual report on the council's risk and resilience arrangements and note the assurances in support of their next Annual Governance Statement.

What is this report about?

1 This report provides the Corporate Governance & Audit Committee with assurances relating to the adequacy of the risk and resilience controls currently in place in the council; that they are up to date, fit for purpose, embedded and routinely applied.

2 The term 'Risk and Resilience' covers the three inter-related areas of Risk Management, Emergency Planning and Business Continuity Management.

3 The need for the council to have strong risk and resilience arrangements remains essential. The past three years has seen a significant amount of change amongst council staff with risk and resilience responsibilities due to the impact of the reductions in staffing and natural turnover. This change has prompted the development of a more joined up approach linking risk management, emergency planning and business continuity management.

4 Through the arrangements outlined in this report, the council seeks to embed an effective risk and resilience culture across its values, and in the behaviour of all its staff and elected members. This responsibility extends to managing risks and how we respond to them with our key partner organisations to ensure they are aware of and are compliant with our risk and resilience policies and strategies.

5 The information in Appendices 1 and 2 is based around a 'cycle of internal control' framework which consists of five aspects; Define and Document, Clearly Communicate, Effectively Embed, Meaningfully Monitor and Review and Refine. For reasons of clarity, separate cycles of internal control have been prepared for Risk Management and Resilience, Emergency Planning and Business Continuity Management.

6 At the time of writing, risk management duties and accountabilities usually undertaken by the Director of Strategy and Resources are being performed by the Interim Assistant Chief Executive, Digital & Change as part of a short term arrangement until the new Chief Executive starts their role. For the purpose of this report, the roles and responsibilities for these posts remain unchanged.

What impact will this proposal have?

7 Many of the council's risks are 'external facing' i.e., their occurrence would have an adverse impact on citizens and communities in Leeds. Examples of our external facing risks include Major incident in the city, Community cohesion and Major flooding incident. Effective risk and resilience arrangements should help prevent these risks from arising or mitigate their impact should they occur.

How does this proposal impact the three pillars of the Best City Ambition?

⊠ Health and Wellbeing   ⊠ Inclusive Growth   ⊠ Zero Carbon

8 The risk and resilience arrangements support each of the council's three pillars. Each pillar has risks that could impact on their achievement and the arrangements aim to ensure that these risks are identified and managed to prevent their occurrence or to mitigate their impact should they arise.

What consultation and engagement has taken place?

Wards affected:		
Have ward members been consulted?	☐ Yes	⊠ No

9   Key stakeholders continue to be engaged in maintaining the council's corporate risk and resilience arrangements. As well as this Committee, these include the Executive Board, Strategy and Resources Scrutiny Board and the Corporate Leadership Team. Full details of stakeholder engagement can be seen in Appendix 1 and Appendix 2.

10 Risk and resilience matters are regularly reported to Directorate Management Teams and the Corporate Leadership Team. The corporate risks are regularly reviewed and discussed at Corporate Leadership Team and annually by Executive Board.

11 The corporate risk map, which summarises the most significant risks facing the council and the city, is published on the council's leeds.gov website and a copy is included in the Annual Corporate Risk Report to Executive Board which is also publicly available.

12 The council is fully engaged with West Yorkshire Prepared (the Local Resilience Forum) and the collaborative working between its partner organisations helps meet the requirements of the Civil Contingencies Act 2004.

What are the resource implications?

13 The corporate risk management arrangements set within this report help the council to target and prioritise resources to help reduce costs, deliver savings and achieve value for money. Should any of the corporate risks arise, including those of a resilience nature, there would be financial and staffing resource implications to deal with the risk.

What are the key risks and how are they being managed?

14 Without up to date, fit for purpose and embedded corporate risk management arrangements, preventable risks could arise which may have a subsequent adverse impact on resources and reputation.

15 Risk and resilience arrangements are captured within the council's corporate risks on 'City resilience' and 'Council resilience' (also known as 'Major incident in the city' and 'Major incident in the council') with regular reporting to the Corporate Leadership Team and annually to the Executive Board.

16 Staff with risk and resilience responsibilities have a duty to assess the risks and determine the threats to the council and its operations.

17 The West Yorkshire Community Risk Register, compiled and maintained by West Yorkshire Prepared, informs the development of the council's risk and resilience arrangements specifically the Incident Response Plans and Business Continuity Plans.

What are the legal implications?

18 The council's corporate risk management arrangements support the authority's compliance with the statutory requirement under the Accounts & Audit Regulations 2015 to have 'a sound system of internal control which facilitates the effective exercise of that body's functions and the achievement of its aims and objectives; ensures that the financial and operational management of the authority is effective; and which includes arrangements for the management of risk.'.

19 The Civil Contingencies Act (2004) imposes a clear set of roles and responsibilities on those organisations with a role to play in preparing for and responding to emergencies. The Act requires all Category 1 responders (which includes local authorities) to maintain plans to ensure they can continue to exercise their functions in the event of an emergency as far as is reasonably practicable (Business Continuity Management). Category 1 responder duties under that Act also include maintenance of plans to prevent emergencies and reduce, control and mitigate the effects of an emergency, should it occur (Emergency Preparedness).

20 Council services have a duty of care or a regulatory requirement to provide their service. This extends to maintaining services during an emergency or disruptive incident.

Options, timescales and measuring success.

What other options were considered?

21 Not applicable

How will success be measured?

22 Not applicable

What is the timetable and who will be responsible for implementation?

23 Not applicable

Appendices

- Appendix 1: Corporate Risk Management arrangements
- Appendix 2: Resilience, Emergency Planning and Business Continuity Management arrangements

Background papers

- None