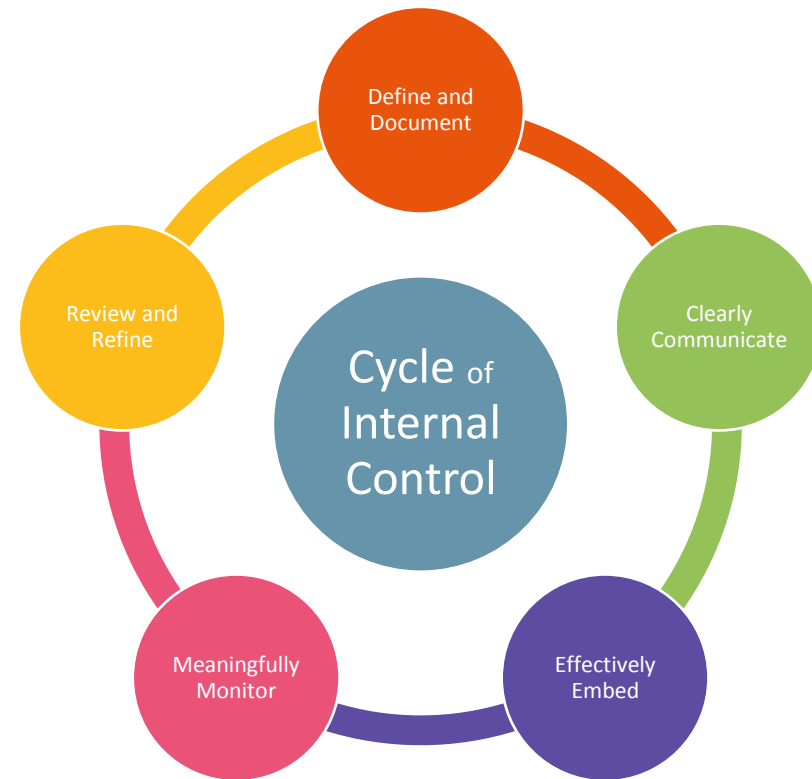


Introduction

1. This report provides the Corporate Governance & Audit Committee with assurances relating to the adequacy of the risk management controls currently in place in the council; that they are up to date, fit for purpose, embedded, and routinely applied.
2. The information in this appendix is based around a 'cycle of internal control framework' which consists of five aspects, seen in the diagram opposite.
3. The council's risks arise from a variety of sources, some of which are out of our direct control, whilst others stem from changes in government policy and the shifting needs and make-up of our communities. Such changes bring uncertainties that can pose threats that need addressing but also bring opportunities to exploit. Local authorities continue to experience a wide range of significant risks including threats to financial sustainability, workforce resilience challenges, rising demand for statutory services, inflation, and seasonal pressures.
4. 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.
5. Through the arrangements outlined in this report, the council seeks to embed an effective risk and resilience culture across the council, shaped by its values and 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 Management Policy and Strategy.



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 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.

Define and Document

7. Policies and Strategies

8. The Risk Management Policy is a formal acknowledgement of the council's commitment to managing risk. The Policy is accompanied by a Risk Management Strategy, which contains details of the arrangements and guidance for managing risk within the council and acts as a reference point for staff and members. Together, these aim to ensure there is an effective, robust, consistent, and communicated way of managing risk across the council. The Policy and Strategy are scheduled for their next review and update in 2025/26.
9. The Risk Management Policy and Strategy considered the latest guidance, such as that from ALARM¹, and relevant standards including ISO 31000² and the HM Treasury 'Orange book'. The main outcome from this consideration was that there is no 'one size fits all' approach for developing risk management arrangements and strategies, as organisations differ in their size and complexity.
10. The Risk Management Strategy includes definitions of what 'risk' is:
- The effect of uncertainty on objectives³
 - [Risk is] a situation involving exposure to danger⁴
 - [Risk is] An uncertain event or set of events which, should it occur, will have an effect on the achievement of objectives; a risk is measured by a combination of the probability of a perceived threat or opportunity occurring and the magnitude of its impact on objectives⁵
11. Risk management is a term used to describe the series of co-ordinated activities designed and operated to manage risk within an organisation and is a central part of that organisation's strategic management. Risk management activities include the identification, evaluation, prioritisation, and treatment of risks which are summarised as the Risk Management Process, as seen in the Meaningfully Monitor section of this report.

¹ ALARM is a risk management organisation that develops industry leading best practice for those managing risk and insurance.

² In 2018, the International Organization for Standardization issued updated risk management guidelines (ISO 31000).

³ ISO 31000 Risk Management – Guidelines (2018)

⁴ Oxford Dictionaries

⁵ Managing Successful Programmes (OGC)

12. Legislation and Guidance

13. The council's 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.'

14. Key plans and documents

15. Underpinning the Risk Management Policy and Strategy are the following key plans and documents:

- Corporate and directorate risk records are maintained on the council's Risk Management SharePoint site (RMS). The RMS was developed in-house as a low cost replacement for specialist risk management software that's licence period ended in 2019. The records held on RMS are an essential information tool for documenting the risks, their ownership, assessment and how they are being managed. The details of each risk held on the RMS include: risk title and description, ownership responsibilities, current risk rating (based on probability and impact scores), the sources of the risk, the consequences (impact) should the risk arise, existing controls in place to manage the risk and any further actions required to treat the risk. Each reporting period, the risk owner (or delegated key contact) is required to add progress comments to their risks explaining any change in rating and an update on work taking place to manage the risk. These comments feed into the risk reports produced (see Meaningfully Monitor section below). The format of the risk information on the site helps ensure that a consistent level of information is provided to explain what the risk is and how it is being managed.
- Financial risks are included within both the corporate and directorate risk registers with updates also provided to Executive Board and Full Council through the budget reports and to Executive Board through Medium-Term Financial Strategy reports.
- The periodic risk reports to Corporate Leadership Team and Directorate Management Teams are housed on a Microsoft Teams site set up for this purpose and maintained by Intelligence and Policy staff. Access to the site is restricted to the staff involved in producing the reports and the risk register appendices.
- The risks of a resilience nature i.e. ones that would require an emergency response should they arise, take into consideration the National Security Risk Assessment (the Assessment), published by the Cabinet Office. The Assessment identifies and assesses the most serious risks facing the UK and is used to determine the common consequences of these risks occurring. The Assessment is produced using a rigorous and tested methodology that incorporates best practice to provide a common framework for understanding risk. The Assessment supports operational risk management, planning and responses in all tiers of the UK resilience system and also serves as a framework for strategic risk management decision making. The [National Risk Register](#) is the public facing version of the National Security Risk Assessment and contains risks including terrorism, cyber-attack, systems failures and various types of adverse weather. The Assessment and the National Risk Register are used to inform the more local West

Yorkshire Community Risk Register, and together these inform the review and update of the resilience risks on the council's corporate risk register. Further details on the Assessment are seen in section 55 below.

16. Roles and responsibilities

17. The council's Intelligence and Policy Team, part of the Strategy and Resources Directorate, leads on the authority's corporate risk management function. This responsibility includes keeping the council's Risk Management Policy and Strategy up to date, maintaining the Corporate Risk Register, co-ordinating the periodic updates and reporting of corporate and directorate risk registers, facilitating risk management workshops, and providing training and guidance. The range of risk reports for internal stakeholders are detailed in the Clearly Communicate and Meaningfully Monitor sections of this report.

The roles and responsibilities for risk management within the council, as documented in the Risk Management Policy and Strategy, are:

Entity	Roles and responsibilities
Elected Members	
Executive Board, Council Leader, and Deputy Leader	<p>Ultimate responsibility for ensuring that the council has effective risk management arrangements lies with the Executive Board. Executive Board approve the risk management policy, strategy and framework and receives an annual update on this work from the Director of Strategy and Resources which includes a summary of how the corporate risks are being managed. Executive members also have a key role in identifying the risks associated with the delivery of the council's priorities and to discuss these with the relevant director(s).</p> <p>The Board provides appropriate challenge to strategic decision-making and ensures that satisfactory consideration is given to the risk management implications of strategic priorities and all major business change proposals.</p> <p>The Council Leader has responsibility for setting, supporting, and monitoring the council's policies and procedures for risk management. As with all executive delegations to officers, the portfolio holder may require, or the director may choose, to refer a risk and resilience matter to the Executive Board.</p>
Corporate Governance and Audit Committee	<p>The Corporate Governance and Audit Committee is responsible for reviewing the adequacy of the council's governance arrangements, including risk management. The Committee receives an annual assurance report on our risk management arrangements from the Director of Strategy and Resources and uses this to monitor, review and scrutinise these arrangements and their implementation. Furthermore, the Committee</p>

Entity	Roles and responsibilities
	<p>can provide challenge on the arrangements to manage specific risks and reviews the Risk Management Policy and Strategy.</p> <p>The Committee approves the Annual Governance Statement which incorporates arrangements in relation to risk and resilience.</p>
Scrutiny Boards	Scrutiny Boards ensure that risk management is given appropriate consideration within their areas of responsibility and can also bring potential risks to the attention of the appropriate Director.
Elected Members	All Elected Members have a responsibility to understand the council's risk management arrangements and the strategic risks facing the authority. Elected Members are responsible for properly considering the risk implications during decision-making and policy approval, particularly where the decision may have resource implications, an impact on the authority's strategic priorities or propose a service change.
Council staff	
Corporate Leadership Team ⁶	<p>The Corporate Leadership Team (CLT) has responsibility for ensuring that there are appropriate arrangements in place to manage risks, both those within their respective directorates and with a cross-cutting or wider impact.</p> <p>Members of CLT are collectively responsible for ensuring that all strategic risks are effectively managed by reviewing the corporate risk register each quarter, whilst individual directors take ownership of specific risks.</p>
The Director of Strategy and Resources	The Director of Strategy and Resources has specific responsibility for providing assurances to the Executive Board and the Corporate Governance and Audit Committee on the adequacy of our risk management arrangements. In addition, the Director of Strategy and Resources holds delegated authority to approve changes to the Risk Management Policy and Strategy on behalf of the Executive Board and acts as the 'officer risk management champion.'

⁶ Corporate Leadership Team consists of the council's Chief Executive and Directors, supported by Chief Officers with statutory roles including the Director of Public Health, Chief Financial Officer (Section 151) and City Solicitor.

Entity	Roles and responsibilities
Directorate Management Teams (including Senior Managers)	Directorate Management Teams ⁷ includes ensuring that the risk and resilience arrangements are in place within their services. This includes arrangements for identifying and managing risks in relation to projects, programmes, and partnerships within the service in accordance with the council's Risk Management Policy and contributing to the regular updating and review of risk registers at corporate, directorate and service levels. They also ensure risks are escalated to the appropriate level of risk register where they can be effectively managed and that proportionate risk assessments are contained within reports requiring a decision. Senior managers are also responsible for identifying the risk management training needs of their staff.
Strategy and Performance Service	<p>Central responsibility for Risk Management falls under the Strategy and Performance (Intelligence and Policy Team), as seen at point 17 above.</p> <p>The Intelligence and Policy Manager is the Deputy Chair of the West Yorkshire Prepared Risk and Capabilities sub-group. Further details about West Yorkshire Prepared can be seen in the Effectively Embed section of this report.</p>
All staff	All staff have a duty to consider the risks to the achievement of their day-to-day objectives and the council's outcomes and priorities. Staff should ensure that any risks which they cannot manage or that have a wider impact are escalated to their managers.

18. The Risk Management Strategy includes details of the roles and responsibilities required for each risk, as seen in the table below:

Role	Responsibilities
Risk Management	
Risk owner	The person who is responsible and accountable for the risk. This should be someone with knowledge of the risk area and of sufficient seniority to enable them to make decisions and allocate resources to manage the risk and to ensure that actions required to treat it are completed.

⁷ Directorate Management Teams consist of the relevant Director and Chief Officers and meet regularly to discuss issues affecting the directorate and its services. Other staff e.g., Heads of Service may be required to attend DMTs for specific items.

Role	Responsibilities
Delegated risk owner	The risk owner may allocate someone else, of appropriate seniority and who is perhaps closer to the service to which the risk relates, to oversee the risk on their behalf. The delegated risk owner reports progress in managing the risk to the owner.
Key contact	A person responsible for the day-today management of the risk and who reports to the delegated owner.

19. Corporate risks are owned by the relevant Director, with delegated ownership usually allocated to a Chief Officer. Directorate risks are usually owned by the relevant Chief Officer, with delegated ownership allocated to a Head of Service or senior officer. In some circumstances, the Director may choose to be the directorate risk owner.
20. Financial risks are included within both the corporate and directorate risk registers with updates also provided to Executive Board and Full Council through the budget reports, and to Executive Board through the Medium Term Financial Strategy (MTFS) reports. An annual assurance report on the Financial and Treasury Management arrangements was reviewed by this committee on 27th November 2023, the report providing assurance that the council has in place effective and robust arrangements for financial management and treasury management. This 2024 Annual Report on Financial Planning and Management Arrangements (including Treasury Management) is on the same agenda as this report.
21. Democratic Oversight
22. The corporate risk register continues to house those risks of significant, cross-cutting importance that require the attention of the council's most senior managers and elected members. Each of the corporate risks has named risk owners - a lead portfolio member and a member of the Corporate Leadership Team, who are jointly accountable for their management. The Executive Board as a whole retains ultimate responsibility. Full details of the CLT and Democratic accountability for the corporate risks can be seen in Table 1 of the [Annual Corporate Risk Report](#) to Executive Board (agenda item 10).
23. The Annual Corporate Risk Report to Executive Board includes summary assurances for all corporate risks rated as 'High' or 'Very High'. The assurances include details of what the risks are, the main controls in place to manage them, any further work required and signposting to additional relevant information and reports. At other times of the year, a copy of the Corporate Risk Register is sent to all Executive Board members for information following its periodic review and update by CLT.

24. In addition to the democratic accountability, further oversight is provided via this annual report on the Risk and Resilience⁸ arrangements to the Corporate Governance & Audit Committee. From this report, the Committee gains assurance that the arrangements are fit for purpose, up to date and routinely complied with.

Clearly Communicate

25. Guidance and information

26. The main source of risk management information and guidance within the council is the Risk Management InSite page. As well as containing a copy of the Policy and Strategy, the Insite page contains links to related documents (including the Annual Risk Report to Executive Board), guidance notes (e.g., 'What are risks?'), Frequently Asked Questions, key contacts and relevant external risk information including the National Risk Register.

27. As seen in point 15 above, details of all corporate and directorate level risks are maintained on the RMS SharePoint site. Access to the site is administered by Intelligence and Policy and is granted to risk owners, key contacts, and members of Internal Audit. Access is reviewed periodically by Intelligence and Policy staff to ensure it remains up to date.

28. The latest corporate risk map continues to be published internally on InSite and externally through the leeds.gov website (on the [Managing our risks](#) page). Both the internal and external sites include a link to the Annual Corporate Risk Report to Executive Board (points 21 to 23 above).

29. The RMS SharePoint site includes a Help and Guidance section which is split into two aspects; a User Guide, which has information on how to view and update risks, and an Administrator Guide, which contains information on how to manage risks, update user details and the general maintenance of the site.

30. Training

31. The Risk Management Strategy recognises the importance for elected members and staff develop a knowledge and general understanding of risk management. The Risk Management InSite pages includes details of who to contact to arrange training, advice, and guidance.

32. Risk Management training is available and is tailored to suit the needs of the service requesting it. The scope of the training usually includes what risk is, the benefits of risk management, how to identify and assess risks, options for treating risks, how to develop and maintain a risk register and risk reporting arrangements. One to one training sessions are also available on how to use the Risk Management System to administer corporate and directorate risks. As detailed in the Review and Refine section of this report, the

⁸ In previous years, the Committee received separate annual assurance reports on Risk Management and Business Continuity Management

development of an e-learning training package for risk management is a recommendation from Internal Audit's recent review of the council's risk management arrangements.

33. During the past year, regular "Let's talk" - risk management training sessions have been introduced, available to staff who have responsibility for identifying, managing, and reporting risks or with a general interest how risk management applies to their job. The sessions, delivered online, are a mix of presentations, discussions and interactive exercises aiming to provide participants with an overview of what risk is (and what it is not), where the risks come from and how the council identifies, manages, and reports its risks.
34. At the time of writing, six Let's talk – risk management sessions have been delivered since April 2024. Electronic satisfaction questionnaires are sent to participants following each session, with the combined response rate at currently 48%.
35. The questionnaires ask the following: The location and venue were suitable; I understood the objectives/intended outcomes of the session; The objectives/intended outcomes of the session were met; The facilitator(s) had sufficient knowledge and skills to deliver the event successfully; I understand my role and responsibilities for any next steps; The session was well timed and structured; I found the session to be very worthwhile and beneficial. To date, all but one of the responses received were 'Strongly Agree' or 'Agree'.
36. Members of the Corporate Governance and Audit Committee are offered an annual training and oversight session on risk management, delivered via Teams. The training content covers what risk is, where the risks come from, the council's risk management framework and the roles and responsibilities for managing risk. The next annual training session was scheduled to take place on 13th November 2024.

Risk workshops.

37. Risk management workshops continue to be offered to council services. The objectives of the workshops are tailored to meet the needs of the requester, but generally involve risk identification, assessment and treatment options for the risks facing a service, project or business initiative or a review and update of an existing risk register. Risk workshops also include an element of refresher training on risk management.
38. During the past year, Intelligence and Policy (I&P) staff facilitated a series of SWOT⁹ analysis risk workshops for the council's Internal Audit and Insurance teams. The results of these sessions helped identify actions to be taken to improve the services and to feed into development plans.
39. I&P facilitated a series of short, focussed risk review workshops with two City Development services. The Economic Development and Operations Management Team reviewed their existing corporate and service level risks in light of continuing economic and operational change and challenges and considered whether any new risks needed to be adopted. Additionally, workshops were held with Highways & Transportation to review the corporate risk of 'Keeping the city moving' to ensure it scope and details were up to date. These reviews complimented the existing periodic review and "sign off" of the risks prior to being reported to directorate and corporate leadership teams.

⁹ SWOT: Strengths, weaknesses, opportunities, and threats.

40. Another notable corporate risk subjected to a “deep dive” review was Major cyber incident. A working group consisting of staff from IDS, I&P and the Resilience and Emergencies Team met regularly during 2024 to progress work which included: reviewing the risk details recorded on RMS; reviewing the key controls (including the cyber incident management process) to ensure they are up to date; and ensuring there is appropriate communication, training and guidance for staff relating to the cyber threat and their responsibility in guarding against it.

41. Leadership

42. The Risk Management Policy is endorsed by both the Leader of the Council and the (now former) Chief Executive, demonstrating the ‘tone from the top’ about the key role that risk management plays within the council. The forthcoming change in the council’s Chief Executive represents an opportunity to renew these endorsements and this will be incorporated into the next update of the Risk Management Policy and Strategy, scheduled for 2025/26.

43. As detailed in the roles and responsibilities section of this report, members of Executive Board and the Corporate Leadership Team receive risk management reports during the year, and they can request updates on specific risk and resilience matters from the Intelligence and Policy Team or relevant directorate leads.

Effectively Embed

44. Stakeholder engagement

45. Key internal risk and resilience stakeholders have been identified (please refer to the roles and responsibilities tables seen earlier in this report) and are recorded across in a series of documents and reports:

- Risk Management Policy and Strategy.
- Corporate and directorate risk records maintained on the RMS site.
- Risk registers periodically reported to Directorate Management Teams and the Corporate Leadership Team.
- The Annual Corporate Risk Report to Executive Board.

46. Stakeholder engagement is via a range of methods that demonstrate both a ‘top-down’ and ‘bottom-up’ approach as follows:

47. At the start of the periodic internal reporting cycle, meetings take place between the staff with responsibility for administering the risk updates across all council directorates. The agenda for these meetings covers any issues arising from the risk management process, horizon scanning of risk topics in the news, and sharing best practice on how risks are administered and reported.

48. Regular meetings take place between the Intelligence and Policy Manager and the Senior Head of Audit, Corporate Governance and Insurance to share information on:

- Emerging themes from Internal Audit reviews and reports regarding control weaknesses / failures and risks arising.
- Feedback to Internal Audit on any new risks/risk areas identified and any changes to existing risks.
- Specific risk and resilience work carried out, including risk workshops, plan exercises and training delivered.
- Insurance aspects relevant to corporate and directorate management

49. Regular meetings take place between the Intelligence and Policy Manager and the Resilience and Emergencies Team Manager to review and discuss work including:

- Organisational resilience preparedness.
- Items to include in the routine risk and resilience reports to directorates, CLT, committees and boards.
- Exercising and testing the organisations emergency response and business continuity plans.
- Consideration of information to be cascaded to the council e.g. updates from West Yorkshire Prepared and the National Risk Register.

50. At the start of the periodic reporting cycle, the Intelligence and Policy Manager meets with the Customer Relations Manager and the Deputy Head of Shared Services (Contact Centre) to discuss any emerging concerns and themes from their work areas that may require escalation for discussion and reporting at directorate or CLT level. These discussions include the identification of possible new risks. An example of a new risk identified via these meetings was the Contact Centre telephony switchover which successfully took place in Spring 2024.

51. Directorate management and service team meetings provide the main opportunities to discuss risk management aspects relevant to their functions such as new and emerging threats, feedback from external partners and the consideration of any lessons learned from recent incidents.

52. External risk stakeholders include the Local Resilience Forum (LRF): West Yorkshire Prepared, the region's multi agency partnership. Stakeholders within this partnership include representatives from West Yorkshire local authorities, West Yorkshire Police, Fire and Rescue Service, Yorkshire Ambulance Service, the British Transport Police, the military and utilities and health partners. At strategic level, Leeds City Council is currently represented by the Interim Chief Executive and at operational level by the Intelligence and Policy Manager who is Deputy Chair of the Risk and Capabilities sub group. West Yorkshire Prepared's most recent Annual Report, which showcases the hard work and collaborative efforts of its partners over 2023/24 can be seen [here](#).

53. The aims of the Risk and Capabilities sub group are to identify, assess and prioritise risks that will enable West Yorkshire Prepared and associated groups to deliver programmes of work aimed at treating the risks originating from hazards and threats which may impact West Yorkshire. West Yorkshire Prepared meetings take place quarterly.

54. The Intelligence and Policy Manager's Deputy Chair role also involves attendance and participation at the National Risk Working Group and the Yorkshire and the Humber Regional Risk and Capabilities sub group meetings. Further details as follows:
55. The National Risk Working Group aim is to enable engagement and collaboration between LRFs, Cabinet Office and the Ministry of Housing, Communities and Local Government on national risk policy and local approaches to managing risk. The functions of the group include updating partners on key National Security Risk Assessment¹⁰ developments; collate and discuss feedback from LRFs on risk assessment methodology, draft risk assessment documents and guidance; to facilitate cross-LRF consultation on malicious and non-malicious risk assessment and encourage LRFs to share expertise and leading practice and to highlight national gaps and identify new risks and/or planning assumptions.
56. The Yorkshire and the Humber Regional group provides a forum for the LRF areas to come together to discuss: cross border risks; awareness; regional risk collaboration opportunities; areas for cooperation/joint working; horizon scanning for emerging risks of concern; the review of the National Security Risk Assessment and to consider feedback from the National Risk Working Group meetings.
57. Attendance at the above meetings helps facilitate the two-way sharing of risk information between local, regional, and national levels.
58. As detailed in the Meaningfully Monitor section (point 84 below on Benchmarking), in Summer 2023, the council's Intelligence and Policy Team co-ordinated a comparison of the risks on the Core Cities¹¹ strategic risk registers. One of the outcomes from this review was a desire from Core Cities risk contacts to meet regularly to discuss risk management topics facing local authorities. During 2024/25, the Intelligence and Policy Team set up and facilitated quarterly online meetings with the Core Cities risk contacts. The meetings have provided the opportunity to share best practice, discuss new and emerging risks and the challenges facing local authority risk management. As some of the Core Cities have not been represented at the meetings, further work is required to address this issue.
59. The Intelligence and Policy Manager is a member of professional bodies: The [Institute of Risk Management](#) and [ALARM](#)¹², both of which include risk management within their remit. Through actively participating in continuing professional development, such as attending conferences and training events hosted by ALARM, the Intelligence and Policy Manager keeps informed of developments in risk and resilience matters. Along with the Director of Strategy and Resources and colleagues from the council's Resilience and Emergencies Team, the Intelligence and Policy Manager attends the West Yorkshire Prepared annual symposium.

¹⁰ The National Security Risk Assessment is the government's assessment of the most serious risks facing the United Kingdom

¹¹ Core Cities UK is an alliance of 11 cities - Belfast, Birmingham, Bristol, Cardiff, Glasgow, Leeds, Liverpool, Manchester, Newcastle, Nottingham, and Sheffield. Its mission is to unlock the full potential of our city regions to create a stronger, fairer economy and society.

¹² ALARM is a risk management organisation that develops industry leading best practice for those managing risk and insurance.

60. Clear systems and processes in place

61. Systems for risk management are well established across the council, supported by reporting timetables, and are very much “business as usual” within services. Details of the timetables are made available to staff via the routine risk management meetings (point 47 above) and the Risk Reporting Teams site.

62. Risk updates are administered via the Risk Management System SharePoint site (see Define and Document, point 15), with each individual corporate and directorate risk having its own page on the site. Relevant staff are required to update the risks with progress comments and any changes to the risk details as required e.g. changes in ownership, rating, controls, and actions. The Review and Refine section of this report includes the outcomes from a survey undertaken with RMS users.

Meaningfully Monitor

63. General

64. The need to meaningfully monitor, update and report risks is a key part of the Risk Management Process, as outlined in sections 5 and 6 of the following diagrams:



65. Routine reporting takes place on risk management matters as follows:
66. Corporate and directorate risks are reviewed quarterly by the key contacts and risk owners to ensure the risks are kept 'live' and they promptly reflect the controls and actions taken to mitigate or manage them. Intelligence and Policy staff check the details for each risk on the Risk Management SharePoint site to confirm whether they have been reviewed and updated that quarter and follow up any where this does not appear to be the case. The Intelligence and Policy Manager also undertakes a more in depth peer review on corporate risk details during the year and any feedback forms part of the routine risk review process. The risks are reported in the first instance to the relevant directorate management teams, which acts as clearance for the corporate risks to be submitted to Corporate Leadership Team for collective review and discussion.
67. Currently a 'Risk and Resilience' report covering the three areas of risk, emergency planning and business continuity management is reported to each Directorate Management Team¹³ (DMT), presenting a comprehensive picture of risk and resilience matters. Any significant emergency planning and business continuity aspects that need to be reported to CLT are done so as part of the 'Major incident' resilience risks included in the report.
68. Risks are usually reported on the same DMT and CLT agendas as performance, facilitating an integrated reporting approach. Many key performance indicators act as an early warning system for risks.
69. Members of Intelligence & Policy currently attend the DMT and CLT meetings to present the reports and answer questions on their content. Representatives from the Intelligence and Policy can also attend Service Leadership Teams to matters of a more operational nature e.g., discussions on new risks and threats facing the service and risk training and workshop requirements and feedback.
70. Following the discussion of risks at CLT, a copy of the Corporate Risk Register is sent to all Executive Board members for information. The format of the risk register circulated includes the description of each corporate risk; risk ownership responsibilities (both director and Elected Member), the current risk rating and direction of travel, summary details of progress made against the risk actions and (where applicable) any new and emerging threats.
71. 'Being open, honest and trusted' is one of the Council Values and this includes the reporting and constructive discussion of risk and resilience at all levels. Decisions are required to be made with proper consideration of risks, including:
- Potential new risks and threats identified are raised and reported to the relevant level for consideration.
 - When risks are increasing in significance, or showing other early warning indicators, they can be escalated to the correct level to enable decisions about how to manage/mitigate them to be made.

¹³ DMTs consist of the Director and Chief Officers for the services within the directorate.

- Lessons learned from significant control failures and ‘near misses’ can be identified and discussed. One of the recommendations from Internal Audit’s most recent routine review of the corporate risk management function (detailed in the Review and Refine section of this report) was to formalise ‘lessons learned’ reviews where risks have materialised internally and externally so that we can identify how they could have been more effectively mitigated through our risk management arrangements. A recent example of lessons learned work relates to the outcomes from the Grenfell Tower Inquiry.
- Services and directorates are able to raise matters about areas where improvement is required and report the actions being taken so that a collective discussion can take place to identify any further solutions.

72. Risk assurance

73. The main sources of assurance that the corporate and directorate risks are being effectively managed and kept “live” are:

- The regular review and update of each risk on the RMS by the risk owner or key contact along with the recording of progress comments against each one.
- Peer review checks undertaken by Intelligence and Policy staff on the risks. Feedback on the outcomes of the checks is provided to relevant risk key contacts for further action.
- The reporting of the risks to the relevant DMT and to CLT, with attendance at those meetings by the Intelligence and Policy Manager to ensure the reports and the key messages in them are given appropriate consideration.
- The Annual Corporate Risk Report discussed by Executive Board, along with the circulation of the Corporate Risk Register to Executive Board members after its periodic consideration at CLT.
- The Annual Corporate Risk and Resilience Assurance Report reviewed by the Corporate Governance and Audit Committee.
- During the past municipal year, more detailed “deep dive” reviews have been undertaken by Intelligence and Policy on some of the corporate risks in conjunction with the teams responsible for managing them (see points 39 and 40 above). These reviews, which compliment the regular review and update of the risks to DMTs and CLT, provide an opportunity for two way feedback with the teams and the opportunity to review the scope, risk rating, existing controls and the roles and responsibilities.

74. Risks identified and mitigated.

75. New risks are identified from a variety of internal and external sources including Directorate Management Team meetings, Corporate Leadership Team, from conversations with services, through horizon scanning, and via the West Yorkshire Prepared and the Yorkshire and the Humber Risk and Capabilities working groups. Arrangements are in place for the Contact Centre to act as a barometer for the problems the public is experiencing with council services, and feedback and escalation processes have been established so risks that are identified through this channel are appropriately captured and mitigated.

76. A risk prompt checklist is included as an appendix to every routine risk report for council DMTs. The checklist provides a series of prompts and questions aimed at helping DMTs to identify new risks and threats, and to consider whether they need to be discussed at the DMT meeting or even escalated to CLT.
77. The work of West Yorkshire Prepared informs the review and update of the council's corporate risks on City Resilience and Council Resilience, derived from the National Security Risk Assessment and the Community Risk Register (point 15 in Define and Document).
78. The guidance and template for council Committee and Executive Board reports for decision making includes the requirement for report authors to detail the key risks relevant to their report and how they are proposed to be managed. The Intelligence and Policy Team reviews these reports at draft stage and are able to provide feedback and suggestions to the authors on the risk information included.
79. Through membership of the Institute of Risk Management and ALARM, the Intelligence and Policy Manager is able to attend seminars and networking events at which new and emerging risks are discussed.
80. Escalation process in place and used appropriately.
81. The internal reporting process outlined in the Risk Policy and Strategy facilitates the raising and discussion of new and emerging risks and threats at service and directorate management teams and encourages the escalation of risks to a higher-level risk register where necessary. All Directors have the opportunity to raise prospective risks to Corporate Leadership Team at any time and through routine quarterly risk reporting. The quarterly risk reports include a prompt asking whether there are any new risks to add and whether any existing risks need to be changed.
82. CLT has the final approval for any new risks proposed for escalation onto the Corporate Risk Register. Should a risk or threat of an urgent nature arise, this can be escalated immediately to the relevant Directorate Management Team and the Corporate Leadership Team for discussion and action as required.
83. Benchmarking
84. In 2023/24 the council's Intelligence and Policy Team co-ordinated a review comparing the strategic risks of the UK Core Cities. This review aimed to identify the similarities and differences between the strategic risks on the Core Cities risk registers, how they are described and their ratings. The next Core Cities strategic risk review is scheduled for 2025, although in the meantime any new and emerging risks can be raised and discussed at the periodic meetings held with the risk contacts (point 47 above).

85. Corporate risk trends

A useful aspect of monitoring is to look at changes in the corporate risk register over time. A comparison of the risks included in the Annual Corporate Risk Reports to Executive Board highlights the following changes over time:

Date	Corporate risks	Very high rated	Comments
2012	17	4	Red risks: Safeguarding children failure, Major flooding, Insufficient school places and Medium term financial strategy.
2017	19	6	Red risks: Safeguarding children failure, Safeguarding adults failure, Major incident in the city, Major incident in the council, Major flooding, Insufficient school places.
2019	20	5	Red risks: Major cyber incident, Safeguarding children failure, Major incident in the city, Major incident in the council, Insufficient school places. Two risks were rated as Low. Note: Risk register was pre pandemic.
2021	23	8	Red risks: Coronavirus, Major cyber incident, Safeguarding children failure, Safeguarding adults failure, Major incident in the city, Major flooding, Climate change and Economic growth lag. Note: Risk register compiled during the pandemic.
2024	23	13 (11 at time of writing)	Red risks: Major cyber incident, Safeguarding children failure, Safeguarding adults failure, Major incident in the city, Major flooding, Climate change, In-year budget, Medium term finance strategy, Workforce, Escalating poverty, Community cohesion Care market sustainability* and Infectious diseases* Notes: Risk register is post pandemic. * Risks subsequently reduced to a High rating at next routine review.

Source: Details taken from the Annual Corporate Risk Reports to Executive Board (June/July)

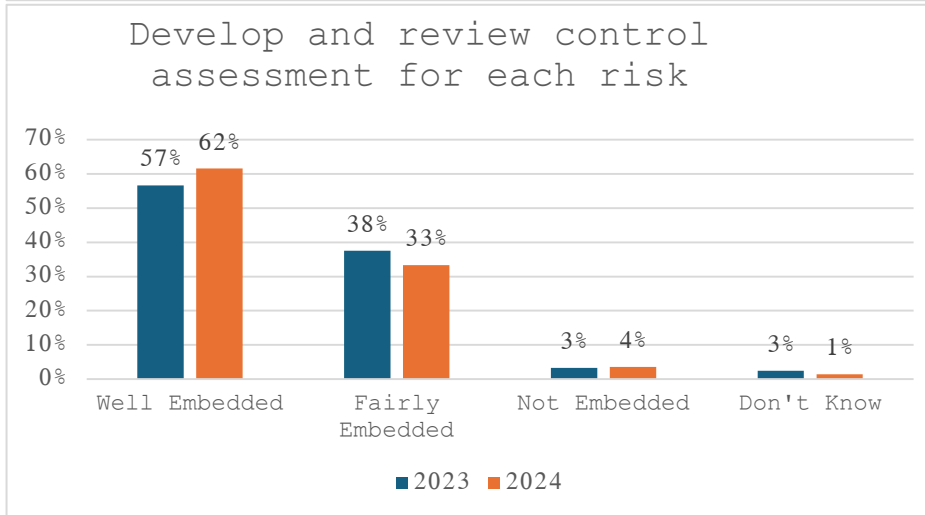
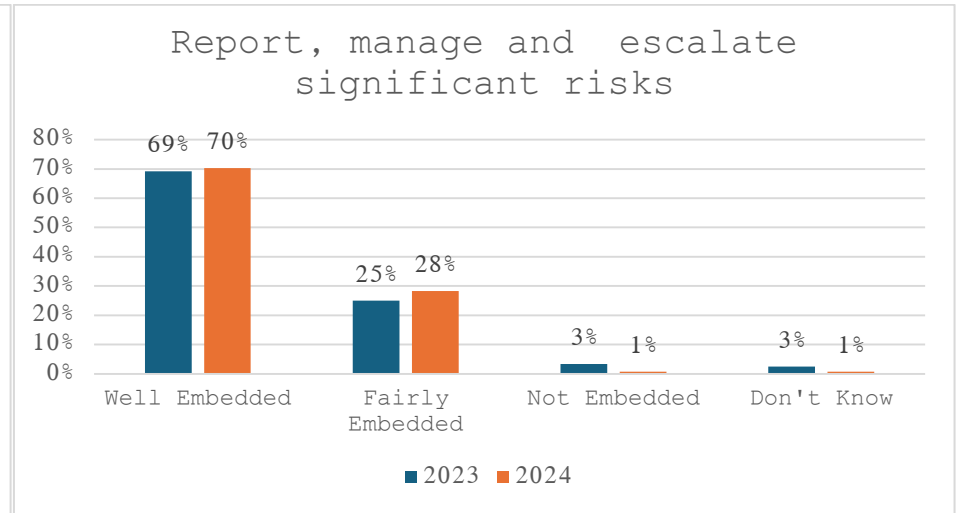
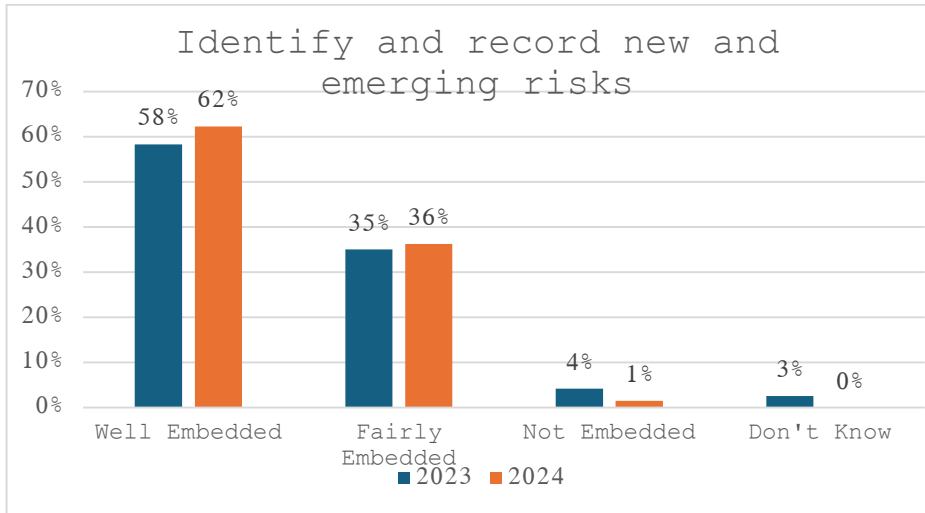
86. The increase in the number of corporate risks and those rated as “Very high” reflects the increasingly challenging nature of local government.

Review and Refine

87. Up to date and fit for purpose.
88. The Policy and Strategy were recently refreshed, mainly to reflect changes to council terminology, and were approved by the council's Corporate Leadership Team on 31st October 2023. A more substantial review is planned for 2025/26 which will be timely following the appointment of a new Chief Executive.
89. Survey of Internal Control
90. In Spring 2024, the council undertook its annual Survey of Internal Control¹⁴ to provide assurance in relation to all key systems of internal control by seeking an assessment from operational managers as to whether the arrangements underpinning the Corporate Governance Code and Framework are working as intended.
91. There was a small increase in the number of responses to the 2024 survey; 138 compared to 120 in 2023. The responses to the three questions asked in the survey about the risk management arrangements were:
- 98% of respondents thought the arrangements to identify and record new and emerging risks were “well embedded” or “fairly well embedded”, showing an improvement compared to 93% in 2023.
 - 98% of respondents thought the arrangements to report, manage and where necessary, escalate significant risks were “well embedded” or “fairly well embedded”, showing an improvement compared to 94% in 2023.
 - 95% of respondents thought the arrangements to develop and review the control assessment for each risk were “well embedded” or “fairly well embedded” the same proportion as 2023.
92. The results are encouraging and show, in one case the same result, and for the other areas, an improvement since 2023; this indicates that whilst there is always scope for improvement, good progress has been made over the last year. Recent increases in requests for risk training and workshops, such as those delivered or in progress for the Climate, Energy and Greenspaces Service, City Development Operations and Active Leeds Service, the School's Library Service and the council's Insurance Team provide opportunities to improve these results. In addition, a “Let's Talk – Risk Management’ on-line course, available through PALS, has been developed and successfully delivered to a number of cohorts with more sessions in the pipeline.

¹⁴ A smart survey conducted amongst senior officers to support the review of internal control underpinning the Council's Annual Governance Statement

Survey of Internal Control Risk Management Results



93. Reporting arrangements

94. Work is planned to enhance the format of the risk reports by developing a risk dashboard which will provide an “at a glance” overview of the risk environment for CLT and for each directorate. This work will consider the use of Power BI, a data visualisation tool, to help produce the dashboards.

95. Internal Audit review

96. During 2023/24, the corporate risk management function was subject to a routine review by the council’s Internal Audit service. Progress made in addressing the recommendations is recorded and monitored through Internal Audit’s recommendation tracker spreadsheet. The key recommendations from the review addressed during 2024/25 were:

- The need to formalise ‘lessons learned’ (seen at point 71 above).
- The development of a risk management communication plan.
- Development and delivery of the ‘Let’s talk - risk management’ sessions (points 33 to 35 above).

97. A recommendation still outstanding is the development of an e-learning package for risk management, which is currently in progress.

98. Opportunities for improvement

99. A summary of the areas where further work is to be completed during the next twelve months is seen in the table below.

Define and Document	<ul style="list-style-type: none"> • Undertake the next periodic review of the Corporate Risk Management Policy and Strategy
Clearly Communicate	<ul style="list-style-type: none"> • Publicise the Corporate Risk Management Policy and Strategy following the review and update. This includes a refresh of the internal and external risk management pages (Insite and Leeds.gov).
Effectively Embed	<ul style="list-style-type: none"> • Finalise and launch the risk management e-learning offer. • Continue to offer the Let’s Talk Risk management sessions to council staff and review the feedback from the sessions to identify any improvements required to the training.
Meaningfully Monitor	<ul style="list-style-type: none"> • Undertake further “deep dive” reviews on an additional sample of corporate risks. • Contribute to the next periodic review of the Core Cities strategic risk register and evaluate the results.
Review and Refine	<ul style="list-style-type: none"> • Consider the development of Risk Dashboards (using Power BI) as a way of enhancing the level of risk information for use in decision making.