

# Annual Corporate Risk Management Report

Date: 21<sup>st</sup> July 2021

Report of: Director of Resources

Report to: Executive Board

Will the decision be open for call in?  Yes  No

Does the report contain confidential or exempt information?  Yes  No

## What is this report about?

### Including how it contributes to the city's and council's ambitions

- This annual report updates the Executive Board on the most significant risks currently on the council's corporate risk register with summary assurances describing the key controls in place to manage the risks and further actions planned, signposting to where more detailed information can be found.
- Risk is present in everything we do to improve outcomes and deliver services. Local authorities, our communities and partners experience a wide range of significant risks including: cyber-attacks, adverse weather conditions and safeguarding incidents.
- The Covid-19 pandemic has seen the biggest test of the council and our partners' risk management, business continuity management and emergency planning arrangements in recent times. Together these arrangements have played a key part of our response and recovery plans, with the work undertaken to deal with the pandemic providing opportunities for shared learning.
- Our ambition is for Leeds to be the best city in the UK: one that is compassionate and caring with a strong economy which tackles poverty and reduces inequalities. Strong risk management arrangements are essential to minimise the risks of achieving the ambitions.
- A corporate risk is something that, if it occurred, could impact on our Best City/Best Council ambitions. It is therefore essential that we understand, manage and communicate the range of risks that could threaten the city and the vital services provided by the council, so that we're better placed to prevent them from happening and to reduce the impact now and in the longer-term on communities, individuals, services, organisations and infrastructure.
- This report should be read in conjunction with the update of the Risk Management Policy and Strategy report which is on the same Executive Board meeting agenda.

## Recommendations

- a) Executive Board is asked to note the annual risk management report and the assurances given on the most significant corporate risks in line with the council's Risk Management Policy and Strategy and the Board's overarching responsibility for their management.

## Why is the proposal being put forward?

- 1 The annual report seen in Appendix 1 updates the Executive Board on the most significant risks currently on the corporate risk register (their descriptions, risk ratings and the accountable director and portfolio member risk owners) with summary assurances describing the key controls in place to manage the risks and further actions planned, signposting to where more detailed information can be found.
- 2 Alongside the Corporate Risk Management Policy and Strategy, the report provides an opportunity for Executive Board members to consider whether they would benefit from any risk management training.
- 3 The report will provide a key source of evidence on the authority's risk management arrangements contributing to the Annual Governance Statement to be considered later this year by the Corporate Governance and Audit Committee.

## What impact will this proposal have?

### Wards affected:

Have ward members been consulted?       Yes       No

- 4 The risk information contained in the appendix is provided for Executive Board's information.
- 5 This is an assurance report with no decision required, so it is not necessary to conduct an equality impact assessment. However, many of the corporate risks included within the appendix are linked to wider issues of equality and diversity, and cohesion and integration.

## What consultation and engagement has taken place?

- 6 This is an information report and as such does not need to be consulted on with the public. However, summary information on the corporate risks is published on the council's website.
- 7 The corporate risk assurances at Appendix 1 have been subject to consultation with lead officers, the Corporate Leadership Team and portfolio members. The arrangements in place to manage the council's risks are embedded and therefore subject to consultation and engagement on an ongoing basis. Consultation is undertaken as part of risk management best practice, and is in line with the roles and responsibilities set out in the Risk Management Policy and Strategy.

## What are the resource implications?

- 8 All council risks are managed proportionately, factoring in the value for money use of resources. Should any of the corporate risks included in this report arise, there would be significant resource implications for the council.
- 9 Effective risk management arrangements help to avoid costly mistakes from being made and minimising their impact if they happen.

## What are the legal implications?

- 10 The council's risk management arrangements support the authority's compliance with the statutory requirement under the Accounts & Audit Regulations 2015. Through this, Regulation 6 requires authorities to conduct a review at least once a year of the effectiveness of its systems of internal control in accordance with proper practices. The

system of internal control, including arrangements for the management of risk, assists the council in effectively exercising its functions.

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

- 11 This report supports the council's Risk Management Policy and Strategy in providing assurances on the management of the authority's most significant risks. The appendix provides details of the key strategic risks facing the council, provides details of how they are being managed along with any further actions required to treat them.

### **Does this proposal support the council's three Key Pillars?**

Inclusive Growth       Health and Wellbeing       Climate Emergency

- 12 The corporate risks outlined in this report are linked to the three Key Pillars, in particular the risks on Leeds Economic Growth Lag, Health and Safety Failure and Climate Change. Should any of these risks arise, then this would impact on the three Key Pillars.
- 13 As the climate emergency is cross-cutting in nature it is linked to many other corporate risks. Where applicable, the supporting details for these risks - such as the sources, consequences and mitigating actions - reflect aspects of the climate emergency.

### **Options, timescales and measuring success**

#### **a) What other options were considered?**

- 14 Not applicable

#### **b) How will success be measured?**

- 15 The success of corporate risk management can be measured through the application of the Corporate Risk Management Policy and Strategy which are on the agenda at the same Executive Board meeting as this report.

#### **c) What is the timetable for implementation?**

- 16 The report is for information, so there is no timetable for implementing the recommendations as risk management is a business as usual activity within the council. Should any Executive Board members require risk management training, this can be arranged as soon as possible.

### **Appendices**

- 17 Appendix 1: Annual Corporate Risk Management Report 2021

### **Background papers**

- 18 None