

Corporate Risk Register

To: Strategy, Resources and Performance Committee

Meeting Date: 11th March 2025

From: Chief Executive

Electoral division(s): All

Key decision: No

Forward Plan ref: Not applicable

Executive Summary: Good risk management - including the identification of risks and triggers as well development of mitigating actions - should inform decision making and areas for improvement; lead to better overall management of the Council's business, and protect the Council's assets, workforce, finances and services.

Recommendation: The Committee is recommended to note the Corporate Risk Register.

Officer contact:
Name: Mairead Claydon
Post: Head of Internal Audit & Risk Management
Email: Mairead.Claydon@cambridgeshire.gov.uk

1. Creating a greener, fairer and more caring Cambridgeshire

1.1 Risk Management is the process by which the Council understands and proactively considers the principal uncertainties and overall risks facing the organisation. The objective is to ensure that risks which might impact upon the Council achieving its plans are identified and managed on a timely basis and in a proportionate manner. As such, effective risk management contributes to the achievement of all seven of the Council's ambitions.

2. Background

2.1 The Accounts and Audit (England) Regulations 2015 require the authority to have a sound system of internal control, which includes effective arrangements for the management of risk.

2.2 Under the Council's constitution, the Strategy, Resources and Performance Committee (S,R&P Committee) is responsible for the development and oversight of the Council's risk management and strategy. The Audit and Accounts Committee also has important functions in relation to risk, including considering the effectiveness of the risk management arrangements and associated control environment and to seek assurances that appropriate action is being taken in response to risk.

2.3 Risk is inherent in our delivery of high-quality public services. The volatility, complexity and ambiguity of the Council's operating environment continues to increase, and taxpayers rightly expect transparency and accountability from the Council in managing the impacts of risk. We are committed to managing risk so that we enhance strategic planning and prioritisation and achieve our objectives with agility. The benefits of risk management include:

- Taking timely and proportionate action to prevent risks occurring or to manage effectively
- Development and delivery of robust and effective action plans and enhancements to the governance of the organisation
- Ensuring that decision makers are fully aware of any key risk issues associated with proposals being considered at the point of decision making
- Demonstrating openness and accountability

2.4 The risk management approach adopted by the Council is based on identifying, assessing, managing and monitoring risks at all levels across the Council. Risk registers operate at three tiers across the organisation: (a) service/project specific, (b) directorate, and (c) corporate. This report provides an update on the Council's Corporate Risk Register.

3. Corporate Risk Register Updates

3.1 The full updated Corporate Risk Register can be found at Appendix 1 to this report.

3.2 Please note, on the risk matrices, "RA" denotes the Council's maximum risk appetite of 15, which is a set maximum appetite for all risks. Where risk owners have identified a target

risk below this risk appetite level, this is denoted with a “T”.

3.3 Corporate Risk Register Overview

3.3.1 The following table gives an overview of the current status of the risks on the corporate risk register, including information on the current risk scoring compared to the scores at the previous report to Committee, and the direction of travel for each risk. Please note that as discussed at the October meeting of Strategy, Resources and Performance Committee, the direction of travel for each risk is now shown as a RAG rating: red indicating that the risk has increased; amber indicating no change; and green indicating that the risk has decreased.

Table 1: Corporate Risk Register Overview, January 2025

Risk	Residual Risk Score June 24	Residual Risk Score Oct 24	Residual Risk Score Jan 25	Direction of Travel (RAG)	Last Review
1. Risk that the Council's arrangements for safeguarding vulnerable adults fail.	15	15	15	→ (static)	27/01/25
2. Risk of failure of the Council's arrangements to safeguard vulnerable children and young people.	15	15	15	→ (static)	31/01/25
3. Risk that the Council does not have enough budget to deliver agreed short and medium term corporate objectives.	12	16	16	→ (static)	28/01/25
4. Risk that a serious incident occurs, preventing services from operating and /or requiring a major/critical incident response.	12	12	12	→ (static)	21/02/25
5. Risk of failure of corporate governance.	10	10	10	→ (static)	02/01/25
6. Risk that the Council's workforce is not able to meet business need.	15	15	10	↓ (reducing)	31/01/25
7. Risk of failure to deliver key Council services.	10	10	10	→ (static)	13/09/24

8.	Risk that the Council is a victim of cyber crime.	15	15	15	→ (static)	31/01/25
9.	Risk that the Council fails to comply with Information Governance legislation and industry standards	12	12	12	→ (static)	27/01/25
10.	Risk of failure of key contracts.	12	12	12	→ (static)	31/01/25
11.	Risk of failure of collaborative working.	12	12	12	→ (static)	31/01/25
12.	Risk that Cambridgeshire County Council is not adequately prepared for the risks of the changing climate	16	16	16	→ (static)	31/01/25
13.	Arrangements to support people with Learning Disabilities result in poor outcomes due to uncertainty of decoupling of funding arrangements via section 75 agreement	-	-	16	[NEW]	31/01/25

3.3.2 For this reporting cycle, one risk has seen changes to its scores compared to the previous reporting period. Risk 6 “Risk that the Council’s workforce is not able to meet business need” has been reduced from 15 to 10. This reduction reflects improved recruitment outcomes across the Council, with evidence showing successful filling of posts with quality candidates. While some specialised areas such as children’s social workers, highways and projects management roles continue to face recruitment challenges, overall workforce capacity has improved. Corporate Leadership Team (CLT) agreed this reduction based on current workforce data and recruitment trends.

3.4 New Risks / Risks De-Escalated from the Corporate Risk Register:

3.4.1 Risk 13, “Arrangements to support people with Learning Disabilities result in poor outcomes due to uncertainty of decoupling of funding arrangements via section 75 agreement” was reviewed by the Adults Health and Commissioning Directorate Management team and subsequently scored at 16. Therefore, it was escalated to the Corporate Risk Register. This update was provided to the Adult and Health Committee in December 2024, and the Corporate Leadership Team (CLT) approved the escalation at their meeting on January 6th.

3.4.2 The Executive Director for Adults, Health and Commissioning provided the following

background detail regarding the escalation of this risk to the Corporate Risk Register:

“The current arrangement for people with Learning Disabilities is being reviewed and the Council has served notice on the current Section 75 agreement. Adults, Health and Commissioning are managing the ending of this arrangement with health partners and continue to monitor the associated risks. The risk that the arrangements to support people with Learning Disabilities result in poor outcomes due to the uncertainty of decoupling and funding arrangements via section 75 agreement has been escalated to the corporate risk register. There are current actions underway to mitigate the risk which include:

- Focussed action to manage the ending of the Section 75 Arrangements and management agreement including review of service delivery and financial arrangements.
- Using external resources to manage the review of cases prior to the ending of the current arrangements.
- Specific resources in place to support the delivery of the programme.
- On-going relationship building with health colleagues.
- Working closely with providers and maintaining regular communications with people who use services and their families/carers, to provide assurance on continuity of care.”

3.4.3 The Executive Director also noted that the move to the Corporate Risk Register was review in depth at the CLT Risk and Assurance group on 21st February, where an action was given to him to fully review the risk. This work is underway as a matter of urgency.

3.5 Key Actions Implemented:

3.5.1 A number of actions incorporated in the Action Plans for the Corporate Risk Register have been closed since the previous report in October 2024. In particular, the following key actions have been marked as complete by Corporate Risk Owners:

- A clear plan to address the workforce challenges in Adult Social Care has been developed. The plan, led by the Service Director: Adult Social Care, was created with input from corporate teams such as HR and Finance.
- Climate Change and Energy Strategy (CCES) Action plan has been reviewed and updated to ensure progress towards climate targets.
- CCES Programme Closure Plan has been developed, embedding key elements into "business as usual" operations. Measures have been put in place for continued monitoring of progress and target achievement.
- A structured approach to monitoring the cleantech sector has been established. This initiative will inform future decisions on skills, knowledge, and technology needed to support carbon reduction efforts.
- Closure engagement with government departments has been achieved, ensuring council is actively contributing to national climate risk and net zero initiative.
- Multi- agency plans for flooding and severe weather have been reviewed as part of scheduled three-year cycle.
- The Council has defined Key Performance Indicators (KPIs) for Net Zero targets. This will be now reported quarterly reported quarterly as part of the Council's performance framework.
- The Council's procurement strategy has been enhanced to further incorporate

climate and environmental factors.

4. Other Risk Management Updates

4.1 CLT Risk and Assurance Meeting:

4.1.1 A meeting of the CLT Risk and Assurance group took place on 21st February. The meeting included:

- A “deep dive” review of the Finance and Procurement Service Risk Register, including the coverage and treatment of significant financial and commercial risks and a broader discussion about the Finance and Resources Directorate Risk Register, which needs to be better aligned across Finance and Resources, Property Services and Customer and Digital Services.
- A discussion and actions for all Risk Owners on the implications of Local Government Reorganisation;
- A detailed review of red or ‘borderline’ risks from Directorate Risk Registers (i.e. those risks scoring 15 or higher), alongside a discussion of assurances and escalations from Directorate Risk Registers;
- A review of the Corporate Risk register and proposed reporting to Strategy Resources and Performance Committee and Audit and Accounts Committee;
- An in depth discussion regarding the escalation of Risk 13 “Arrangements to support people with Learning Disabilities result in poor outcomes due to uncertainty of decoupling of funding arrangements via section 75 agreement” to the Corporate Risk Register.

4.2 Local Government Reorganisation Update:

4.2.1 It is recognised that the recent local government reorganisation announcements by the UK government, outlined in the English Devolution White Paper, will impact on the management of organisational risk at Cambridgeshire County Council. In the longer term, this will include the need to identify and mitigate risks associated with the programme of transition to new local government structures; and in the shorter term there is also the need to reassess current risk registers and action plans to mitigate risk, to ensure that these remain aligned with the current direction of travel on Local Government Reorganisation.

4.2.2 In recognition of this, an initial discussion regarding risk management in light of the Local Government Reorganisation proposals was held at CLT on the 21st February and a range of updates to the Corporate Risk Register were discussed and agreed. This will continue to be an area of discussion at future CLT Risk and Assurance meetings.

4.2.3 Additionally, the Head of Internal Audit and Risk Management has joined the current Local Government Reorganisation Officer Working Group to provide advice and support on the approach to capturing and monitoring risk relating to the proposals. This is likely to include an organisational-level risk captured on Directorate/Corporate level risk registers, and a

more operational project-level risk register held by the programme, with the two levels of risk management feeding into one another.

4.3 External Audit Value for Money Opinion and Recommendation:

4.3.1 Alongside their audit of the statement of accounts for 2023/4, Cambridgeshire's external auditors KPMG have also completed their review on the value for money opinion. This work considers whether the council has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year of the accounts. This is broken down into reviewing three key areas: financial sustainability, governance and improving economy efficiency and effectiveness.

4.3.2 In respect of the governance aspect of this opinion, KPMG have highlighted a concern that some aspects of risk were not fully captured in Corporate and Directorate Risk Registers (DRRs) and made a recommendation that:

"We recommend that the Council performed a detailed review of Directorate and corporate risk registers to ensure these contain all known risks to the council and are given sufficient levels of prominence are given to each risk to allow for effective risk management."

4.3.3 While noting that the Chief Executive and Executive Directors (Chief Officers) meet quarterly at dedicated Risk and Assurance meetings which include, as standing items, a review of the full Corporate Risk Register; Directorate Risk Register assurances and/or escalations from Chief Officers; plus a detailed review of either one of the Directorate Risk Registers or of red/borderline risks across all DRRs, it is agreed that the recommended review will be undertaken by the CLT Risk and Assurance Group ahead of the 2025 Annual Governance Statement.

4.4 Risk Strategy Implementation Update:

4.4.1 The Internal Audit and Risk Management team continues to progress the actions from the updated Corporate Risk Strategy shared with Committee in July 2024. Key action updates since our last update in October include:

- *Action: Internal Audit and Risk Management will develop a risk management eLearning module that can be made available to all staff. This will particularly include guidance on how to escalate risks between different management levels/risk registers. Once this is completed, it will be publicised internally via the intranet and to targeted staff including budget managers."*

In November and December 2024, the draft corporate Risk Management eLearning has been tested by members of the Internal Audit team and further updates made. It is planned to launch the new eLearning modules in March 2025.

- *Action: "Appoint to new Corporate Risk Manager role in 2024/5 to develop greater capacity and resilience in corporate risk management support."*

This action has been completed, as a new Corporate Risk Manager joined the Internal Audit and Risk Management team on 20th February. The Risk Manager's first task is to conduct a review of risk management arrangements at Cambridgeshire

to inform an update of the Risk Strategy; the outcomes of this review will be reported in due course.

- *Action: “The Council should consider integrating the Corporate Risk Group with an equivalent network of Performance Champions or similar.”*

The Internal Audit and Risk Management team has liaised with colleagues in Governance and Performance to develop proposals to integrate the Corporate Risk Group into a Corporate Risk and Performance Group going forwards. An updated Terms of Reference to reflect the new dual risk/performance focus will be brought forward to the next meeting of the group on the 9th April.

5. Significant Implications

5.1 Finance Implications

Not applicable.

5.2 Legal Implications

Not applicable.

5.3 Risk Implications

This report and Appendix 1 showing the updated current Corporate Risk Register provide information on the key corporate risk areas currently identified by Cambridgeshire County Council and how these are being managed.

5.4 Equality and Diversity Implications

Not applicable.

6. Source Documents

6.1 Corporate Risk Register – Appendix 1

6.2 [Cambridgeshire County Council Risk Strategy 2023 – 6](#)