

HIGH PEAK BOROUGH COUNCIL

Report to the Audit and Regulatory Committee

12th February 2025

TITLE:	Risk Management Update (overview of strategic, operational and project risks)
EXECUTIVE COUNCILLOR:	Cllr Alan Barrow – Corporate Services and Finance
CONTACT OFFICERS:	Tanya Cooper - Head of OD & Transformation Julie Nankivell - Information Business Partner
WARDS INVOLVED:	Non-specific

Appendices Attached:

Appendix A: Strategic Risks (by exception)

Appendix B: Operational Risks (by exception)

Appendix C: Project Risks (by exception)

Appendix D: Opportunity Risks (all registers by exception)

1. Reason for the Report

- 1.1 The purpose of the report is to enable the Committee to seek assurance as to the adequacy of the Council's Risk Management arrangements in accordance with accepted good practice.

2. Recommendations

- 2.1 That the committee notes the Council's current risk position and the mitigation / fruition plans summarised within Appendix A (strategic risks), Appendix B (operational risks), Appendix C (project risks) and Appendix D (opportunity risks).

3. Executive Summary

- 3.1 The Council's Strategic, Operational and Project Risk Registers are reviewed by the Audit and Regulatory Committee on an exception basis. This report is based upon the Council's position as at December 2024.

- 3.2 The latest analysis of the Strategic Risk Register reveals that the Council has identified and assessed 22 strategic risks, of which 45% are rated as 'high' and therefore above the Council's risk tolerance threshold. The ten 'high' rated risks are listed in full at Appendix A.
- 3.3 The Operational Risk Registers reveal that the Council has identified and assessed 51 operational risks in total, of which 16 are rated as 'high' and therefore above the Council's risk tolerance thresholds. The details of all the significant changes can be found at paragraph 9. The risks falling within the 'high' category are listed in full at Appendix B.
- 3.4 The project risk registers currently cover 8 projects and the risk profile is bulleted below:
- 0% Critical
 - 28% High – 13 risks
 - 45% Medium – 21 risks
 - 28% Low – 13 risks

4. Evaluation of Options

- 4.1 There are no options to consider

5. How this report links to Borough Plan Priorities

- 5.1 Risk Management impacts on all service areas and therefore links to each of the Council's Borough Plan aims.

6. Implications

- 6.1 Community Safety including safeguarding and prevention of terrorism
None
- 6.2 Workforce
None
- 6.3 Equality and Diversity/Equality Impact Assessment
This report has been prepared in accordance with the Council's Diversity and Equality Policies
- 6.4 Financial Considerations
Effective Risk Management contributes to financial objectives
- 6.5 Legal
None

6.6 Climate Change and Sustainability
None

6.7 Conservation and Enhancement of Biodiversity
None

6.8 Consultation
None

6.9 Risk Assessment
The Council's Risk Registers are a critical element in the Council's Risk Management Framework.

ANDREW P STOKES
Chief Executive

Background Papers

Risk Registers December 2024

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7. Background and Introduction

- 7.1 The Council ensures that it undertakes a deliberate and systematic identification of the key risks that might prevent, degrade, delay or enhance the achievement of its objectives. The Council's Risk Management Strategy sets out the process for undertaking this on an ongoing basis.
- 7.2 In addition to the identification of risks, managers also have to quantify them in terms of likelihood and potential impact. The risks are then recorded in the Council's Risk Registers. These have three aspects – strategic, operational and project risks.
- 7.3 Under the Risk Management Strategy, the Council's 'risk tolerance' threshold is set along the border between 'medium' and 'high' rated residual risks. The Strategy stipulates that mitigating actions should be identified for all risks that exceed this threshold.
- 7.4 The Council's Strategic, Operational and Project Risk Registers are reviewed on a quarterly basis and reported into the Corporate Risk Management Group and the Audit and Regulatory Committee on an exception basis. The appendices provide details of all risks that have been rated as 'high' or above, and therefore beyond the Council's risk tolerance threshold.

8. Strategic Risks

- 8.1 The December 2024 review of the Strategic Risk Register reveals that the Council has identified and assessed 22 Strategic Risks, of which 45% are rated as 'high' and therefore above the Council's risk tolerance threshold.
- 8.2 A new medium rated strategic risk was added to the register during Q3 around the use of *Artificial Intelligence* and a new highly rated risk was added around delivery of the *30 year HRA business plan*.
- 8.3 The switch off the *Public Switch Telephone Network (PSTN)* has been increased to high due to the safety and financial risk linked to the potential failure of the aged telephony system used by the Carelink service.
- 8.4 The *Employee Wellbeing* risk has reduced to medium in light of staff survey results, increase in recruitment and regular appraisals.
- 8.5 There are four opportunity risks within the register – housing growth, business growth, commercialism (trading) and effective contractor relations, of which 3 are rated as 'high'. The alliance is working to reap the benefits from the opportunity risks.
- 8.6 The Council's risk profile is displayed below.

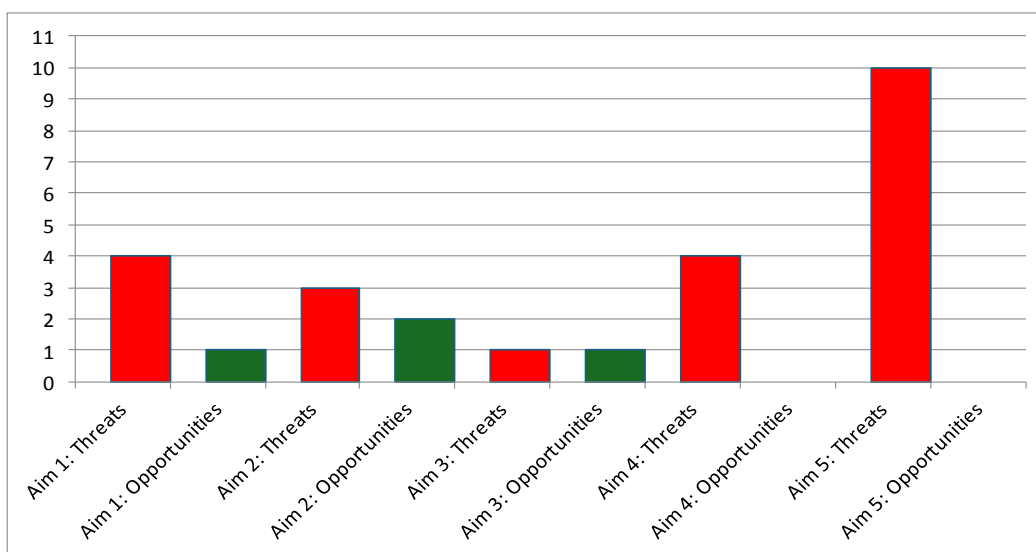
Residual Risk Rating	High Peak Risks	Alliance Risks	Total Risks
Critical	-	-	-
High	2	8	10
Medium	1	9	10
Low	-	2	2
Total Risks			22

8.7 The ten high rated risks are mapped on Matrix 1 and the three high rated opportunity risks are shown on Matrix 2.

Matrix 1 : Impact						
		1	2	3	4	5
Likelihood	5					
	4			-Delivery of the 30 yr HRA Business Plan	- MTFP - World Events	
	3				- IT Security - PSTN - Env Regs - Social Housing	- Contract Mngt - Investment into assets
	2					- Safeguarding duty
	1					

Matrix 2: Impact						
		5	4	3	2	1
Likelihood	5					
	4			-Effective contractor relations		
	3	-Housing & Business Growth				
	2					
	1					

8.8 The graphic below illustrates the risk profile of all threats and opportunities across our Borough Plan aims.



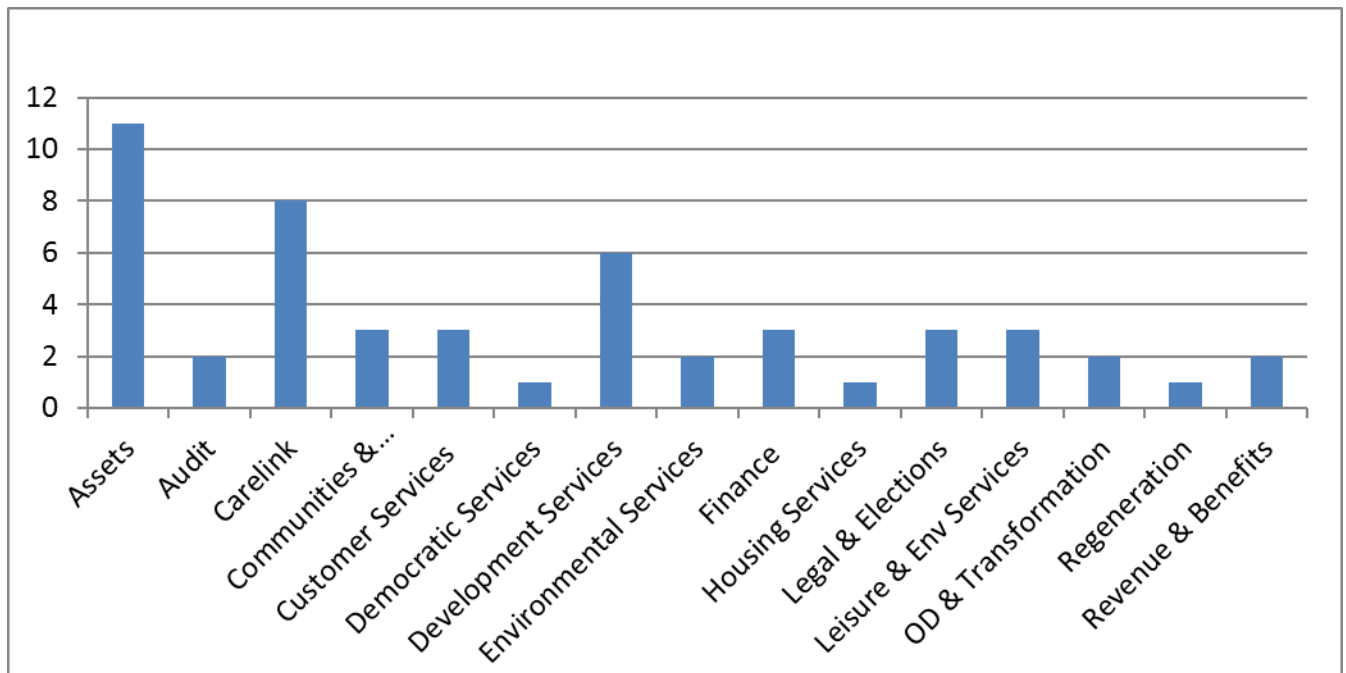
9. Operational Risks

9.1 The December 2024 analysis of the Operational Risk Registers reveals that the Council has identified and assessed 51 operational risks in total, of which 16 are rated as 'high' and therefore above the Council's risk tolerance threshold.

9.2 The 16 risks falling within the 'high' category are listed in full at Appendix B. A full breakdown of the Council's operational risk profile is given below:

Residual Risk Rating	High Peak Risks	Alliance Risks	Total Risks
Critical	-	-	-
High	3	13	16
Medium	4	14	18
Low	6	11	17
Total Risks			51

9.3 The chart below shows the greatest number of operational risks sit within Assets, followed by Carelink. An analysis of the alignment of risk to our objectives shows that most operational risks relate to the use of resources in order to achieve value for money.



10. Project Risks

10.1 The Alliance's project management methodology requires all projects to present an assessment of associated risks at Stage Two of the decision-making process for project approval.

10.2 A number of projects have been completed since the last report. Current project risk registers are detailed below :

- Accelerated housing delivery programme
- Procurement workflow
- Glossop Halls
- Local Plan Review
- Buxton Future High Street Fund
- Manor Park play area
- Waste Reforms (new)
- Procurement Strategy (new)

10.3 Changes during Q3:

- Glossop Halls- 5 highly rated risks (from 4) 5 medium (from 8) 3 low (from 1)
- Local Plan - 2 low rated risks increased to high
- Waste reforms- new project risk register- 3 high, 2 med risks
- Procurement strategy- new project risk register- 2 med, 1 high
- Cote Heath Play Park- completed

Details of the highly rated risks are included in Appendix C below.

10.4 The profile of project risk threats overall is bulleted below:

- 0% Critical
- 28% High – 13 risks
- 45% Medium – 21 risks
- 28% Low – 13 risks

10.5 In addition, a total of 16 opportunity risks have been identified across 7 of the above projects, and all above tolerance positive risks are reported in Appendix D.