AGENDA ITEM

REPORT TO AUDIT & GOVERNANCE COMMITTEE 30 NOVEMBER 2026

REPORT OF DIRECTOR OF CORPORATE SERVICES

RISK MANAGEMENT UPDATE REPORT

SUMMARY

The purpose of this report is to inform members of the current status of the Council's strategic risks. The strategic risk register primarily focusses on the achievement of objectives over the longer-term and could take a number of years to materialise.

The risk rating reflects an assessment of whether current approaches are sufficient to manage future exposure. This sits alongside an explicit consideration of current performance pressures, incidents or service impacts, and inform the overall judgement

RECOMMENDATIONS

It is recommended that:-

1. Members note the current position with the strategic risk register and take assurance that risks are being effectively monitored and actions are being taken to manage these risks over the long-term.
2. Members note the changes in risk and the reasons for those changes.

DETAIL

1. Effective risk management is a core component of effective corporate governance. It is a planning tool that can be used to evaluate future events and make effective decisions to develop mitigating actions to reduce the impact and/or probability of those risks occurring.

2. The strategic risk register and the current status of those risks is shown below. Members are reminded that the Council's strategic risks are long-term and structural in nature. These risks are expected to remain on the register and may not routinely be assessed as green. This does not represent failure; rather it reflects the continued relevance of these risks and the need for ongoing leadership oversight and assurance.

3. As this is a strategic risk register it covers broad themes borough wide. The implication of this is that the council are not solely responsible for mitigating actions. There may be factors outside of the council's control that impact on the current risk level and as such the council alone may not be able to completely mitigate risks.

4. A key feature the revised approach is a simplification of the way in which the current risk status is assessed. Risks are rated using a RAG rating:
   - Red – There is a high degree of confidence that the current approach will not deliver the intended future outcome. Significant or immediate change is required to reduce future exposure, and failure to act would materially increase the impact or likelihood of adverse outcomes.
   - Amber – Based on current information, continuation of the existing approach may not be sufficient to achieve the intended future outcome. Change is likely to be required to reduce future exposure, but the nature, scale or timing of that change is still being developed or planned.
   - Green – The risk remains inherent but is well understood and actively managed. Controls and mitigations are effective, there are no significant gaps in assurance, and no escalation is required at this time.

5. The focus of this report is to update members on changes in risk levels since September, as there has been little movement since the last update I have produced a summary of the current Red rated risks:

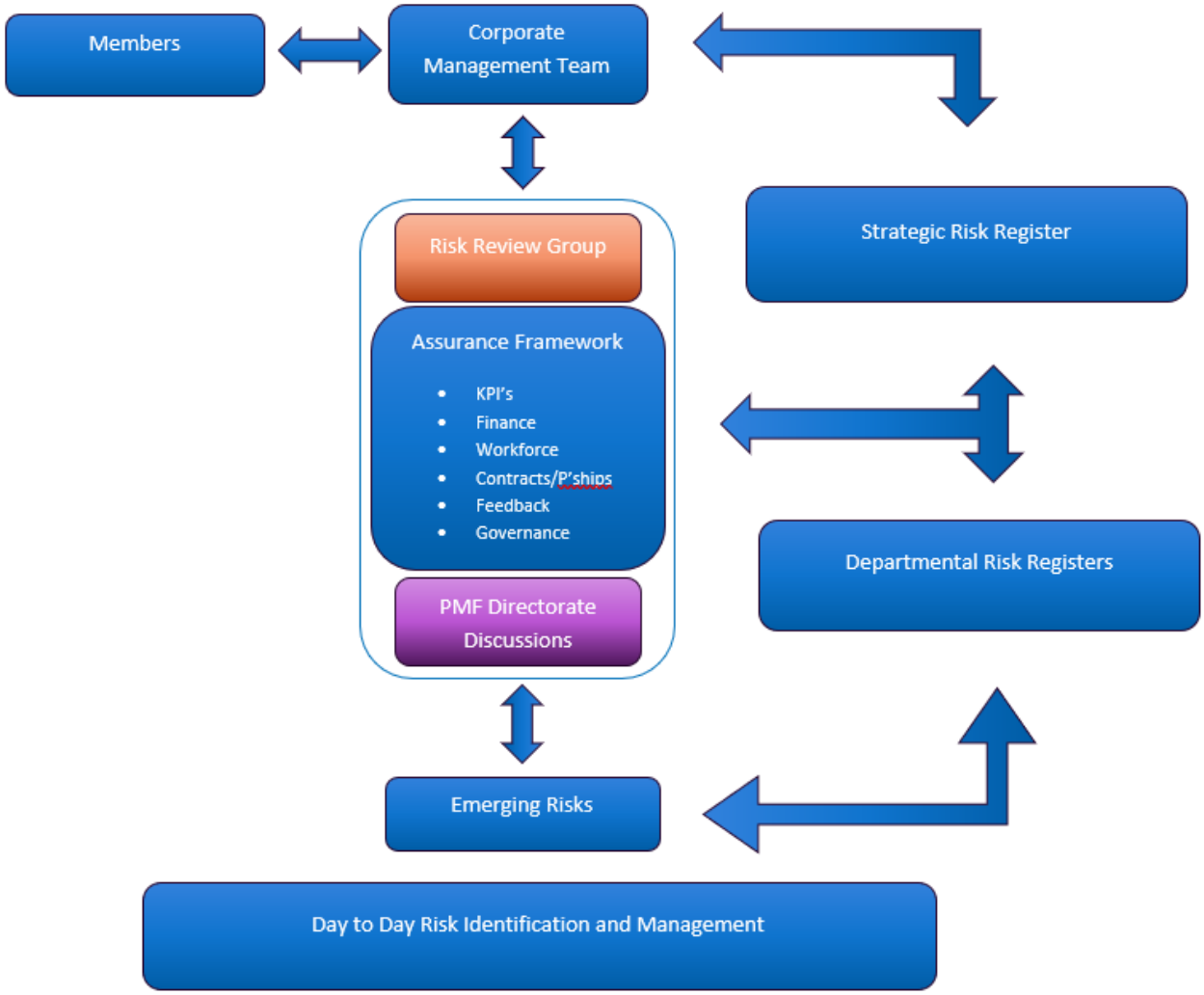
   - 563 Risk of not supporting children with disabilities and special educational needs to maximise their potential and understand future demands. The primary cause of the change is a number of processes and procedural issues identified during the Ombudsman's investigation of a complaint and the high cost of placements. A full review of processes is being undertaken as part of actions agreed with the Ombudsman.

   - 714 Risk of failure to effectively deliver services within agreed budget and to maintain a balanced MTFP. Although some good progress has been made in reducing the MTFP gap as a result of positive outcomes from the Powering our Future programme, the future budget gap remains.

   - 559 – Risk of supporting children in our care to achieve appropriate outcomes in care. This risk has increased from Amber to Red, primarily due to the costs of placing children exceeding the budget provision in the MTFP.

6. Appendix A provides a full list of strategic risks and their current status.

7. As a reminder to members the framework for assessing the current risk score is outlined below:



8. A revised Risk Management Strategy will be presented to members at a future meeting.

FINANCIAL AND LEGAL IMPLICATIONS

None directly

RISK ASSESSMENT

This is a summary of the Council's risk environment.

COUNCIL PLAN IMPLICATIONS

None

CONSULTATION

N/A

Name of Contact Officer: **Andrew Barber, Assurance Manager**
Telephone No: **01642 526176**
Email Address: **andrew.barber@stockton.gov.uk**

Full Strategic Risk Register

ID	Description	Overall RAG	Direction of Travel
62	Risk of not supporting children in our care to achieve appropriate outcomes in care		Stable
65	Risk of not supporting children with disabilities and special educational needs to maximise their potential and understand future demands		Stable
79	Risk of failure to effectively deliver services within the agreed budget and to maintain a balanced MTFP		Stable

ID	Description	Overall RAG	Direction of Travel
61	Risk of not supporting children who need help and protection		Stable
63	Risk of not delivering effective strategies that support care leavers to achieve appropriate outcomes		Stable
64	Risk of not supporting children maximise their potential in education		Stable
68	Risk that the effectiveness of public health leadership, commissioning and partnership working is insufficient to support sustained improvement in population health outcomes and reduction in health inequalities.		Stable
69	Risk of failure to support vulnerable households to find suitable accommodation (including homelessness care leavers LD)		Stable
71	Risk of failure to enable a growing economy to maximise business growth		Stable
72	Risk of loss of local control over planning and built environment decision-making due to failure to adopt and maintain an effective Local Plan.		Risk Decreasing
73	Risk of failure to enable effective highways and transport infrastructure		Stable
74	Risk of failure to deliver transformation projects		Risk Decreasing
76	Risk of failure to effectively support our workforce to enable them to meet the challenges faced by the council and our residents		Stable
77	Risk of failure to effectively manage and maintain Council owned land and property assets		Risk Decreasing
80	Risk that governance, accountability and assurance arrangements are insufficient to maintain public trust, regulatory confidence and effective organisational oversight.		Stable
81	Risk of failure to maximise the use of Council owned vehicles and transport assets		Risk Increasing
82	Risk that the effectiveness of climate leadership, policy implementation and partnership activity is insufficient to reduce carbon emissions and mitigate climate impacts.		Stable
83	Risk of failure to deliver a waste service which reduces the amount of waste to Energy From Waste whilst increasing levels of recycling.		Risk Decreasing

ID	Description	Overall RAG	Direction of Travel
66	Risk of failure to establish and maintain safe systems of care for adults		Stable
67	Risk of failure to manage and deliver good quality sustainable care and support to vulnerable adults		Stable
70	Risk of people not feeling safe in their communities		Stable
75	Risk of failure to provide robust and resilient ICT infrastructure and systems making effective use of new/emerging technologies		Stable
84	Risk of failure to plan and deliver large scale capital projects		Stable
86	Risk of failure to communicate effectively with residents communities and partners		Stable
90	Failure to deliver services to support business growth through developing appropriate skills within the borough		Risk Decreasing