



Committee Report

ISLE OF WIGHT COUNCIL

Meeting	AUDIT AND GOVERNANCE COMMITTEE
Date	11 DECEMBER 2023
Title	THE COUNCILS RISK PROFILE
Report of	CHIEF EXECUTIVE

1. Executive Summary

The purpose of this report is to give the committee an opportunity to review the current position with regard to the council's strategic risks. The committee's terms of reference include the provision for consideration of "the effectiveness of the council's risk management arrangements."

2. Recommendation(s)

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| 2.1 | That the strategic risks of the council as set out in Appendix 1 of the report be approved. |
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3. Background

- 3.1 This is the quarter three update of the Strategic Risk Register within the 2023/24 financial year reporting period.

The application of the Risk Management Framework within the Isle of Wight Council has been subject to an internal audit revisit and has outcome of "Assurance." All policies that underpin the annual governance statement have been refreshed and reviewed, except for the finance policies which will be completed by the end of September.

Regular meetings to discuss, update and monitor service risks are being held across all service areas and are being refreshed against the new organisational structures that came into effect in October.

Strategic risks are referred to within the Quarterly Performance Management Reports (QPMR) that are presented to Cabinet.

4. Corporate Priorities and Strategic Context

- 4.1 Strategic risks are those that have the potential to prevent the council from achieving its strategic priorities. Senior managers 'own' strategic risks according to their particular responsibilities. Strategic risks are brought to the attention of Cabinet in that they are linked to the corporate priorities of the council in the Quarterly Performance Management Report (QPMR). QPMR quarter two report went to the cabinet meeting held on 8 November 2023.

5. Provision of affordable housing for Island Residents

- 5.1 Whilst this report has no direct impact on the provision of housing for Island Residents it will play an important part in reporting on the progress towards the delivery of key activities concerned with that outcome. The relevant mitigations around this theme can be viewed in Appendix 1 – Risk 13

6. Responding to climate change and enhancing the biosphere

- 6.1 Whilst this report has no direct impact on the progress toward the delivery of the [Council's Climate and Environment Strategy](#) or direct impact on the decision on the Island's designation as a [UNESCO Biosphere](#), it will play an important part in reporting on the progress towards the delivery of key activities from within the Corporate Plan that are being delivered in line with these matters.
- 6.2 The relevant mitigations around this theme can be viewed in Appendix 1 – Risk 13 and Risk 17.
- 6.3 The climate decision wheel is neutral as this is a decision to accept a risk register in which the actions are managed by individual service areas and therefore the decision to accept the risk profile is not the point of impact.



Socio-economic Outer Ring	Scores	Environment Inner Ring	Scores
No Poverty	3	Transport	3
Zero Hunger	3	Energy	3
Good health and wellbeing	3	Housing	3
Quality Education	3	Environment	3
Gender Equality	3	Offset	3
Clean Water and Sanitation	3	Adaptation	3
Affordable and clean energy	3		
Decent work and economic growth	3		
Industry, Innovation and Infrastructure	3		
Reduced inequalities	3		
Sustainable cities and communities	3		
Responsible consumption and production	3		
Climate Action	3		
Life below water	3		
Life on land	3		
Peace, justice and strong institutions	3		
Partnerships for the Goals	3		

7. Economic Recovery and Reducing Poverty

- 7.1 Progress towards Economic Recovery and the reduction of poverty is a key outcome for the Isle of Wight Council, and this is reflected in the Corporate Plan 2021-25. As such, Strategic Risks 1 and 2 as detailed in Appendix 1 relate to the ability of the Council to meet its statutory financial obligations as a Local Authority.
- 7.2 Strategic Risk 16 held in Appendix 1. reflects the work undertaken to understand the impact of cost-of-living pressures on both residents and service delivery.

8. Impact on Young People and Future Generations

- 8.1 The decisions the Council makes now not only affect current residents, but may have long term impacts, both positive and negative, on young people and future generations. These impacts may not immediately be apparent or may not emerge for a number of years or decades. Impacts will be interrelated across the various domains of young people's lives from housing, employment or training, health, and the environment.

8.2 Appendix 1 - Risks 5 and contain information relating to this priority. Strategic risk eighteen also addresses the impact of the proposals to end the partnership for children's services with Hampshire County Council.

9. Corporate Aims

9.1 The Strategic Risk Register is comprised of the key risks to the delivery of the IWC Corporate Plan as identified by the Isle of Wight Council's Corporate Management Team.

10. Consultation And Engagement

10.1 The review of each strategic risk has been undertaken by senior managers according to their particular responsibilities. Members of the Corporate Management Team have reviewed the strategic risk register, provided additional input, and verified the current risk ratings. Cabinet members are also given the opportunity to review the strategic risks as part of the QPMR.

11. Financial / Budget Implications

11.1 There are no direct financial implications of approving the Strategic Risk Register.

12. Legal Implications

12.1 The Accounts and Audit Regulations 2015 require that the council reviews its system of internal control including its risk management arrangements. This report is therefore concerned in part with improving the way the council manages risk and also in giving the committee the opportunity to play its part in overseeing risk management arrangements. These are key features in the council's governance arrangements.

13. Equality And Diversity

13.1 It is considered that there are no direct equality and diversity implications of this report for any of the protected groups. If the report introduces new or revised Policy or Procedure or is a significant decision, an equality impact assessment must be undertaken and the results should be summarised in this section. Usually, the EIA should also be attached.

14. Options

14.1 Option 1: That the strategic risks of the council as set out in Appendix 1 of the report be approved.

14.2 Option 2: That the strategic risks of the council as set out in Appendix 1 of the report are not approved.

15. Risk Management

- 15.1 Updates to the risk profile are requested from all mitigation owners, these updates are then added to the strategic risk register and included in this report.

All risk scoring is decided by Corporate Management Team which reviews the Strategic Risk Register each month as the Chief Executive Officer and the Directors have the statutory responsibility for managing the risks. The risk scoring matrix from which these scores are derived is shown in Appendix 2.

Risk owners have been requested to provide timescales for the mitigating actions associated with each risk where it is possible and appropriate to do so.

Updates made since the previous committee report are shown in italics in Appendix 1.

The strategic risk register was most recently circulated to Corporate Management Team (CMT) on 21 November 2023 and all risk owners reviewed the content and verified the current risk ratings. This meeting was observed by the Chair of the Audit and Governance Committee to provide assurance of the process that the management team undertake to review the risk profile.

16. Evaluation

- 16.1 Option 1 is recommended from the information provided in the report and appendices is based on the views of the IWC Corporate Management Team.

17. Appendices Attached

Appendix 1: Full Strategic Risk Register

Appendix 2: IWC Risk Scoring Matrix

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