

BROMSGROVE DISTRICT COUNCIL

Audit, Standards and Governance Committee 14 July 2025

Corporate Risk Update July 2025

Relevant Portfolio Holder	Councillor Baxter
Portfolio Holder Consulted	Yes
Relevant Head of Service	Debra Goodall, Head of Finance and Customer Services
Report Author Bob Watson	Job Title: Deputy Chief Executive and Chief Finance Officer Contact Bob Watson email: bob.watson@bromsgroveandredditch.gov.uk Contact Tel:
Wards Affected	All
Ward Councillor(s) consulted	N/A
Relevant Strategic Purpose(s)	Aspiration, work and financial independence
Non-Key Decision	
If you have any questions about this report, please contact the report author in advance of the meeting.	

1. SUMMARY

This report sets out Council activity to identify, monitor and mitigate risk at a corporate level.

2. RECOMMENDATIONS

The Committee/Cabinet is asked to:

- Consider the strategic risks detailed in the Corporate Risk Register.
- Consider and comment on the changes to risk scores and removal/additional of new risks.

3. KEY ISSUES

Background

- 3.1 The Corporate Risk Register must continue to ensure that the Council's most significant strategic risks in relation to achievement of corporate priorities and objectives are identified, managed, monitored and reported.
- 3.2 The Corporate Risk Register is reviewed by the Corporate Risk Management Officers Group (CRMOG) quarterly, changes and updates to the register to be reviewed by AS&G Committee quarterly in accordance with the Risk Management Strategy. Notes of the latest meeting are attached at Appendix 1.

BROMSGROVE DISTRICT COUNCIL

Audit, Standards and Governance Committee 14 July 2025

- 3.3 A result of audit reports and reviews in both 2021 and 2023 processes have been introduced:
- Departmental ownership of service risks and reviews at service management teams on a monthly basis.
 - Regular review and development of active risk mitigation to reduce the impact of the risks – ensuring the Council moves to an embedded process where risk becomes managed as part of normal business.
 - Recently upgrading the '4Risk System', which is the Councils' repository of risk information and management.
 - That the Corporate Risk Management Officer Group has actively reduced risk numbers through their work and that a common approach to risk is now being embedded within the organisation.
- 3.4 The latest audit of Risk Management Embedding 2024-25 dated 1 June 2025 was a risk-based systems audit of the Risk Management as operated by both Bromsgrove District Council and Redditch Borough Council; this produced an audit opinion of 'Reasonable Assurance'.

The Definition of a Corporate Risk

- 3.5 The following definition of a of how risks move from being "departmental" to being "corporate" in nature was recommended by the CRMOG approved by CLT:

*"For a **Risk** to move from being '**departmental**' in nature to being '**corporate**' in nature that it **must have significant impact on Councils finances, be cross departmental in nature, and/or result in Serious reputational damage.** The Officer Risk Board will vet departmental risks using this definition to move then to Corporate Risks at their quarterly meetings."*

Corporate Risks

- 3.6 Corporate Risks are summarised in the following table. As the table below highlights, a number of the existing risks have been revised due to impacts of mitigations in those areas.

BROMSGROVE DISTRICT COUNCIL

Audit, Standards and Governance Committee 14 July 2025

RISK TREE REPORT

00. CORPORATE RISKS (14)



Reference	Risk Title	Risk Owner	Risk Lead	Status	Inherent	Residual	
COR0001	Non Compliance with Health and Safety Legislation	Bob Watson	Bob Watson	● Open	12	9	
COR0002	Decisions made to address financial pressures and implement new projects that are not informed by robust data and evidence	Bob Watson	Helen Mole	● Open	16	6	
COR0003	Non adherence with Statutory Inspection Policy	Simon Parry	Simon Parry	● Open	20	16	
COR0004	Management of Contracts	Bob Watson	Claire Felton	● Open	6	6	
COR0005	Resolution of the Approved Budget Position	Bob Watson	Debra Goodall	● Open	6	6	
COR0006	Protection from Cyber Attack	Bob Watson	Mark Hanwell	● Open	20		
COR0007	Adequate Workforce Planning	Bob Watson	Becky Talbot	● Open	12	9	
COR0008	Financial Position Rectification	Bob Watson	Debra Goodall	● Open	6	6	
COR0009	BROMSGROVE DC Being placed into special measures due to quality of planning application decisions	Ruth Bamford	Ruth Bamford	● Open	9		
COR0010	Delivery of Levelling Up, Towns Fund, UK SPF Initiatives	Rachel Egan	Debra Goodall	● Open	12	12	
COR0011	Cost of Living Crisis	Bob Watson	Debra Goodall	● Open	16	12	
COR0012	New Customer Facing Interface	Bob Watson	Mark Hanwell	● Open	16	16	
COR0013	Environment Act 2021	Simon Parry	Matthew Austin	● Open	16	16	
COR0014	Devolution & LGR	John Leach	Bob Watson	● Open	20		

BROMSGROVE DISTRICT COUNCIL

Audit, Standards and Governance Committee 14 July 2025

Risk Matrix – before mitigation

5 Major	Medium (5)	Medium (10)	Medium (15)	High (20) R3, R6	High (25)
4 Serious	Low (4)	Medium (8)	Medium (12) R1	High (16) R2, R11, R12, R13	High (20) R14
3 Significant	Low (3)	Low (6) R4, R5, R8	Medium (9) R7, R9	Medium (12) R10	Medium (15)
2 Minor	Low (2)	Low (4)	Low (6)	Medium (8)	Medium (10)
1 Insignificant	Low(1)	Low (2)	Low (3)	Low (4)	Medium (5)
Impact ↑ Likelihood →	1 Very unlikely	2 Unlikely	3 Likely	4 Very likely	5 Almost certain

BROMSGROVE DISTRICT COUNCIL

Audit, Standards and Governance Committee 14 July 2025

Risk Matrix – after mitigation

5 Major	Medium (5)	Medium (10)	Medium (15)	High (20) R6	High (25)
4 Serious	Low (4)	Medium (8)	Medium (12) R7	High (16) R3, R12, R13	High (20) R14
3 Significant	Low (3)	Low (6) R2, R4, R5, R8	Medium (9) R1, R9	Medium (12) R10, R11	Medium (15)
2 Minor	Low (2)	Low (4)	Low (6)	Medium (8)	Medium (10)
1 Insignificant	Low(1)	Low (2)	Low (3)	Low (4)	Medium (5)
Impact ↑ Likelihood →	1 Very unlikely	2 Unlikely	3 Likely	4 Very likely	5 Almost certain

BROMSGROVE DISTRICT COUNCIL

Audit, Standards and Governance Committee 14 July 2025

Service (departmental) Risks

3.6 There are 47 service risks identified on the '4Risk' system; these are summarised in the following table:

Service Area	Red following mitigation	Amber following mitigation	Green following mitigation	Total number of risks
Customer Services		1		1
Revenues	1	2	1	4
Benefits		1	3	4
Finance		2	1	3
Environmental Services		5	1	6
Leisure & Cultural Services		1		1
Regeneration & Property Services		3	2	5
ICT		2		2
Planning		1		1
Housing		9	7	16
Community Services		1	2	3
HR			1	1
Total departmental risks	1	28	18	47

3.7 Details of all risks are on the new '4Risk' system, and access can be given on request from Sarah Carroll (sarah.carroll@bromsgroveandredditch.gov.uk)

BROMSGROVE DISTRICT COUNCIL

Audit, Standards and Governance Committee 14 July 2025

Insurance

- 3.8 The Councils successfully renewed the insurance contracts last month (June). The Council is now running a year after other Worcestershire Councils who renewed last financial year. Insurers are now requesting significantly more detail and there was a great deal of effort put in by the insurance officer and her team to get data to the required standard. This issue highlighted a deficiency in property data capture – which links to the Corporate Customer Risk linked to data.

The Risk Management Framework

- 3.9 Risk Management Training. There remains a requirement for Corporate Risk training (Members and Officers) and existing processes need further embedded in the organisations to increase assurance.

4. Legal Implications

- 4.1 No Legal implications have been identified.

5. Financial Implications

- 5.1 Effective risk identification, and management of those risks, is integral to the delivery of effective and efficient services to residents and businesses. Risk impacts can be both financial and reputational.
- 5.2 The Council spends significant sums insuring itself and must also hold Reserves to mitigate the costs of risks should they happen. A comprehensive Risk Management approach ensures risk and its consequences, including financial ones, are minimised.

6. Strategic Purpose Implications

Relevant Strategic Purpose

- 6.1 A comprehensive Risk Management approach ensures risk and its consequences is minimised for the Council.

Climate Change Implications

- 6.2 The green thread runs through the Council plan. This includes risks linked to activities and actions that link to our climate.

BROMSGROVE DISTRICT COUNCIL

Audit, Standards and Governance Committee 14 July 2025

7. Other Implications

Customer / Equalities and Diversity Implications

- 7.1 If risks are not mitigated it can lead to events that could have Customer/Equalities and Diversity implications for the Council.

Operational Implications

- 7.2 Risks are inherent in almost all the Councils operational activities and therefore significant risks need to be identified, monitored and mitigated.

Governance implications

- 7.3 The Corporate Risk Management Officer Group is chaired by the Council's Senior Information Risk Officer (SIRO) who is the Deputy Chief Executive and Chief Finance Officer. The group is made up of the key heads of service and meet quarterly to review the register. The risk register is reported to both the Senior Leadership Team and the Corporate Leadership Team every three months and/or additionally when a new risk is identified or a risk rating has fundamentally changed.

8. Risk Management

- 8.1 The Corporate Risk Register includes high level risks. Each risk is rated between 1 and 5 as to how likely it is to occur and also between 1 and 5 as to the potential financial and/or reputational impact. The product of these two numbers gives the initial rating. Mitigation is then put in place to help reduce the risk rating.

9. APPENDICES

Appendix 1 – Minutes of Corporate Risk Management Officer Group – 27 June 2025

AUTHOR OF REPORT

Name: Bob Watson, Deputy Chief Executive and Chief Finance Officer
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BROMSGROVE DISTRICT COUNCIL

Audit, Standards and Governance Committee 14 July 2025

Appendix 1

Corporate Risk Management Officer Group

Meeting

27th June 2025

Risk	Notes
Corporate	
Non Compliance with Health and Safety Legislation	No Change
Decisions made to address financial pressures and implement new projects that are not informed by robust data and evidence	No Change
Non adherence with Statutory Inspection Policy	No Change
Management of Contracts	No Change – Bob & Claire to discuss
Resolution of the Approved Budget Position	No Change – Bob & Deb to discuss
Protection from Cyber Attack	No Change
Adequate Workforce Planning	A discussion took place as to whether this could reduce due to embedding in service planning.
Financial Position Rectification	No Change – Accounts 24/25 are being published and budget books have been created.
BROMSGROVE DC Being placed into special measures due to quality of planning application decisions	Update - Applications which may be the subject of a refusal are presented to Managers/Assistant Director as an additional level of scrutiny Managers support maintaining a good turnover of major applications, so as to provide a stable numerical base Managers continue to closely monitor appeal decisions planning committee members are now provided with performance information via

BROMSGROVE DISTRICT COUNCIL

Audit, Standards and Governance Committee 14 July 2025

Risk	Notes
	a report at Committee. This is done on a quarterly basis.
Delivery of Levelling Up, Towns Fund, UK SPF Initiatives	Jane Berry to look at mitigations.
Cost of Living Crisis	Risk to be updated due to funding.
New Customer Facing Interface	No Change
Environment Act 2021	The main risk is financial as the funding is unknown for new costs.
Devolution & LGR	The risk was updated to include LGR.
New CX & Deputy CX	To be closed.

BROMSGROVE DISTRICT COUNCIL

Audit, Standards and Governance Committee 14 July 2025

Service Risks

Risk	Notes
Customer Services	
Non Compliance RBC/BDC Fail to ensure the adequate security arrangements for Customer Service Centres	No Change
Benefits	
Fail to effectively resource the service to meet demands	No Change
Impact of Welfare Reform Act	No Change
Impact of ELF scheme	No Change – This may need to be reviewed and look at criteria of funding.
Benefits subsidy	No Change
Revenues	
Performance Information data is not robust	No Change
Reduced collection rates	No Change
Failure of corporate Fraud and Compliance team	No Change
Data Compliance	No Change
Finance	
Fail to provide adequate support to managers to manage their budgets	Residual Risk to be reviewed.
Fail to effectively manage high value procurements resulting in breach of EU procurement rules.	Carmen to look at wording
Purchasing Non Compliance	No Change
Environmental Services	
Fail to adequately maintain and manage car parking and On Street enforcement	This risk will be transferred to Regeneration & Property Services.
Avoidable damage to fleet arising from staff behaviour and non-compliance	No Change
Fail to ensure adequate Health & Safety across the service	No Change

BROMSGROVE DISTRICT COUNCIL

Audit, Standards and Governance Committee 14 July 2025

Risk	Notes
Workforce planning	No Change
Risk	Notes
PDMS - New Environmental database	No Change
Environmental Enforcement	This risk will be monitored for 12 months.
Fail to ensure the health & safety of the Public / Staff and visitors using services (meeting regulatory requirements)	No Change
Regeneration & Property Services	
Failure to ensure that Council Owned buildings, Property Assets and Facilities remain fit for purpose now and for the future.	No Change
Fail to effectively manage property assets	No Change
Fail to optimise the income from Commercial properties	No Change
Fail to effectively manage the disposal of assets as part of asset disposal programme	No Change
Bromsgrove Leisure Contract	No Change
ICT	
Failure to identify, maintain and test adequate disaster recovery arrangements	No Change
Members and Data protection Training	No Change
Planning	
Loss of effective Building Control service due to changes in legislation / Hackett / Grenfell	Building Control has now concluded an audit with the Gov Regulator. Certain recommendations relate to the effective monitoring of staff competency. This will result in controls being added to this

BROMSGROVE DISTRICT COUNCIL

Audit, Standards and Governance Committee 14 July 2025

Risk	Notes
	current risk once approved by the regulator.
Housing	
Fail to effectively manage housing repairs and maintenance	No Change
Fail to manage impact of increasing homelessness cases and Recruitment challenges	No Change
Risk	Notes
Inability to collect rent and rent arrears	No Change
Fail to effectively management leaseholder properties	No Change
Fail to effectively manage capital projects (also the right contracts are put in place, internal and external)	No Change
Potential for an increase in right buys	No Change
Failure to Achieve CQC Compliance at St Davids House	No Change
Failure to complete annual gas Safety Inspections	No Change
Risk of legionella in housing with communal facilities	No Change
Housing Revenue Account	No Change
Failure to comply with Charter for Social Housing and the Regulator	No Change
Non compliance with Asbestos Regulations	No Change
Non compliance with Regulatory Reform (Fire Safety) Order 2005 - Blocks of flats and communal entrances	No Change
Failure to comply with IEE regulations	No Change
Damp and Mould In Council Housing	
Passenger Lifts	No Change

BROMSGROVE DISTRICT COUNCIL

Audit, Standards and Governance Committee 14 July 2025

Risk	Notes
Community Services	
Safeguarding - Inadequate child and adult protection systems/process.	No Change
Starting Well Partnership – underperformance of contract	To be closed.
Social Prescribing – underperformance of contract	To be closed.
HR	
Fail to monitor and respond to changes in employment legislation	No Change

Possible New Risks

Insurance for Property – Julie Heyes

Climate Change – Matthew Eccles

Actions

1. Sarah to look at the hierarchy of the service areas
2. All to look at how the system is and feedback at the next meeting
3. Training to be arranged for all system users

Any Other Business

Nothing to report.