

**Bolsover District Council**

**Audit and Corporate Overview Scrutiny Committee**

**25th November 2021**

**Risk Management**

**Report of the Executive Director of Resources**

Classification: This report is public  
Report By: Executive Director of Resources  
Contact Officer: Karen Hanson

---

**PURPOSE / SUMMARY**

- To update members of the Audit and Corporate Overview Scrutiny Committee of the current position regarding risk management arrangements and the Council's Strategic Risk Register.
- 

**RECOMMENDATIONS**

1. That the Audit and Corporate Overview Scrutiny Committee notes the report and Strategic Risk Register as set out in **Appendix 1**.

Approved by the Portfolio Holder – Yes

---

**IMPLICATIONS**

---

**Finance and Risk:** Yes  No

**Details:**

There are no additional financial implications arising out of this report. Whilst, where appropriate, additional mitigation measures have been identified and implemented during the course of preparing the strategic and operational risk registers, the cost of implementing this mitigation is met from within existing service budgets.

Risk management issues are covered throughout the body of the main report.

On Behalf of the Section 151 Officer

---

---

**Legal (including Data Protection):**                      **Yes**                       **No**

**Details:**

There are no legal or data protection issues arising directly out of this report.

On Behalf of the Solicitor to the Council

---

**Staffing:**    **Yes**                       **No**

**Details:**

There are no human resource issues arising directly out of this report.

On behalf of the Head of Paid Service

---

## DECISION INFORMATION

Decision Information	
<b>Is the decision a Key Decision?</b> A Key Decision is an executive decision which has a significant impact on two or more District wards or which results in income or expenditure to the Council above the following thresholds:  <b>BDC:</b> Revenue - £75,000 <input type="checkbox"/> Capital - £150,000 <input checked="" type="checkbox"/> <b>NEDDC:</b> Revenue - £100,000 <input type="checkbox"/> Capital - £250,000 <input type="checkbox"/> <input checked="" type="checkbox"/> Please indicate which threshold applies	No
<b>Is the decision subject to Call-In?</b> (Only Key Decisions are subject to Call-In)	No
<b>District Wards Significantly Affected</b>	None directly
<b>Consultation:</b> Leader / Deputy Leader <input type="checkbox"/> Cabinet / Executive <input checked="" type="checkbox"/> SAMT <input type="checkbox"/> Relevant Service Manager <input type="checkbox"/> Members <input type="checkbox"/> Public <input type="checkbox"/> Other <input type="checkbox"/>	Yes  Details:

**Links to Council Ambition (BDC)/Council Plan (NED) priorities or Policy Framework including Climate Change, Equalities, and Economics and Health implications.**

All

## **REPORT DETAILS**

### **1 Background**

1.1 The Council's Audit Committee has previously endorsed the Council's Risk Management Strategy which has also been approved by Executive in March 2020. The Strategy includes but is not limited to the following;

- The nature of 'risk' both the 'threats' and the 'opportunities'
- The benefits of a robust risk management approach
- The Council's risk appetite
- Risk categorisation – Operational, Governance, Strategic
- Project and Partnership risk
- The Council's risk management approach and arrangements including a new 'Risk Management Group'
- Roles and responsibilities including Senior Risk Officer and Senior Information Risk Officer (SRO and SIRO)

1.2 The Strategy also details the work of the Risk Management Group. This is chaired by the appropriate Cabinet Member and includes the Council's Senior Risk Officer (SRO), Senior Information Risk Officer (SIRO), S151 Officer, Senior Managers, Internal Audit and Health and Safety. The group provides a comprehensive oversight of risk throughout the organisation.

1.3 The group oversees all Council operational and strategic risk registers ensuring they are up to date and accurate whilst offering challenge to the assessment process itself. It is responsible for risk management reporting to stakeholder groups across the Council, including this Committee and supports the production of the Annual Governance Statement. The group leads on the development and review of all risk related policies, plans and strategies across the Council and oversees and champions the implementation of the Risk Management Strategy and associated action plan.

### **2. Details of Proposal or Information**

#### **Update of the Risk Management Group (RMG)**

#### **Corporate Strategic Risk Register**

2.1 Since the last Audit and Corporate Overview Scrutiny Committee meeting in July 2021, meetings of the Risk Management Group have taken place on 3<sup>rd</sup> August 2021 and 27<sup>th</sup> October 2021 with the latter requiring attendance in person at the Arc. Both meetings were well attended, Chaired by the Cabinet

Portfolio Holder, with the Council's Executive Director of Resources and Section 151 Officer in attendance.

- 2.2 The RMG regularly undertakes a review and gives consideration to the Council's Strategic Risk Register (**Appendix 1**). The existing risks are considered to be ongoing with no current changes risk scores required.
- 2.3 It was agreed that the RMG will retain a 'watching brief' and consider the following issues and their impact on the Council at future RMG meetings:
- The impact of the Autumn Budget (27<sup>th</sup> October 2021) and Bolsover's settlement (to be announced in December) on the Council's Medium Term Financial Plan
  - The impact of the Government's Levelling Up White Paper expected in December 2021
  - The impact of any further future Government announcements regarding Local Government Reform
  - Cyber risks and ransomware attacks
  - Ongoing national issues regarding HGV drivers, Covid related staff absences and fuel impacts on service delivery
- 2.4 These issues will remain under constant review by the RMG and appropriate additions and/or amendments to the Council's Strategic Risk Register will take place at the appropriate time.

### **Operational Risk Registers**

- 2.5 In addition to the Corporate Strategic Risk Register, the RMG reviews individual operational risk registers for specific service areas. This is undertaken on a rolling programme to ensure all services have appropriate and up-to-date risk registers in place.
- 2.6 Since August 2021, the RMG has received reports on the following operational risk registers:
- Business Growth
  - Leader's Executive and Partnerships
  - Environmental Health
- 2.7 Service leads provided presentations to the Group to enable appropriate review and scrutiny to take place.

### **Corporate Insurance renewal**

- 2.8 The Council's insurance portfolio was renewed on the 30th September 2021 following annual reviews of policies to minimise and mitigate risks. Property policy ratings increased due to continuing pressures across the market relating to escalating material building costs, labour shortages and the Council's own property claims experience. The Motor policy captures all fleet vehicles, mowers and trailers and has also undergone a premium rating review due to higher exposure since acquiring additional refuse vehicles from Wards

Recycling earlier in the year. However, these were not unreasonable rates within an overall competitive insurance package, and the long term agreement has been maintained.

## **Cyber risks**

- 2.9 Research has been undertaken to seek cyber insurance cover against ransomware attackers; where cyber criminals can threaten to publish or block access to data or a computer system or encrypt its contents, so they can extort money from the Council. As the number of claims following attacks have increased recently, especially in the public sector; the severity, the level of security in place for these risks, and increased exposure due to the volume and nature of sensitive public data held, many cyber insurers have withdrawn from this already limited specialist cyber insurance market, due to the heavy losses sustained, making this insurance cover difficult to procure.
- 2.10 The RMG considered information from the Council's current insurance portfolio provider (Zurich) and also alternative incident response services and support currently on the market. It is clear that significant investment and resources are required to meet criteria currently required by insurers.
- 2.11 The RMG agreed that ICT will undertake a more detailed costing exercise for the Ransomware Incident Response Retainer service. As all three Council's (BDC / NEDDC/ DDDC) use the same broker, they would be included in the quotation process, with an option to consider a joint collaborative approach as similar ICT infrastructure is used.

## **Health and Safety and Training**

- 2.12 A new electronic accident reporting system for health and safety has been developed and is being rolled out to ensure a consistent approach to the reporting of incidents.
- 2.13 In addition, the Council has been awarded the Gold ROSPA Award for health and safety.
- 2.14 The Council's Senior Management Team have received 'Safety for Executives and Directors' IOSH Training.

## **3 Reasons for Recommendation**

- 3.1 The Audit and Corporate Overview Scrutiny Committee is recommended to note this report from the Risk Management Group as part of the Council's robust approach to risk management. The Risk Management Group provides a comprehensive oversight of risk throughout the organisation.
- 3.2 The Risk Management Group has made significant progress in ensuring that risk is effectively managed within the Council. By leading on the development and review of all risk related policies, plans and strategies across the Council,

the Group provides consistency of approach and alignment of all service areas in relation to risk management.

#### **4 Alternative Options and Reasons for Rejection**

- 4.1 It is good practice for the Council to develop and regularly review its Strategic Risk Register and associated risk management processes and policies. Given the importance of these arrangements for the overall performance and governance of the Council the alternative of not providing them is rejected.

#### **DOCUMENT INFORMATION**

<b>Appendix No</b>	<b>Title</b>
1.	Strategic Risk Register as at November 2021
<b>Background Papers</b> (These are unpublished works which have been relied on to a material extent when preparing the report. They must be listed in the section below. If the report is going to Cabinet (NEDDC) or Executive (BDC) you must provide copies of the background papers)	
Service Area Operational Risk Registers	