



## Audit & Risk Committee

### Corporate Risk Register Update December 2024

**Date:** 12 December 2024

**Key decision:** No

**Class:** Part 1

**Wards affected:** All

**Contributors:** Rich Clarke, Head of Assurance

### Outline and recommendations

This report sets out the current corporate risk register. Risk management remains a developing field, so the report also sets out further commentary on recent and planned enhancements to the Council's risk management approach.

We ask Members to **note** the report.

### Timeline of engagement and decision-making

Risk Registers are updated by risk owners throughout the year. Although this setting is the current corporate risk register on 1 December 2024, previous iterations have been discussed at various officer and Member meetings:

11 September 2024: Last presentation to the Audit & Risk Committee

20 November 2024: Risk register presented to Executive Management Team

25 November 2024: Risk register presented to Mayor & Cabinet Briefing

12 December 2024: Current presentation to the Audit & Risk Committee

## 1. Summary

- 1.1. This report and appendix provide an update on corporate risk, and risk management more generally, at the London Borough of Lewisham.

## 2. Recommendations

2.1. We ask Members to **note** the report.

## 3. Policy Context

3.1. This report aligns with Lewisham’s Corporate Priorities, as set out in the Council’s [Corporate Strategy \(2022-2026\)](#):

- Cleaner and Greener
- A Strong Local Economy
- Quality Housing
- Children and Young People
- Safer Communities
- Open Lewisham
- Health and Wellbeing

3.2. The report supports each priority as part of establishing and maintaining a system of sound governance throughout the Council.

## 4. Corporate Risk Registers

4.1. The full, current Corporate Risk Register is at Appendix A. There is one format change new to this edition to draw to Members’ attention. We now have, in some cases, a full year of assessments since the complete refresh of the corporate risk register in October 2023. The “current risk” at Appendix A now shows, as well as the present evaluation, a trail showing previous evaluations over the past year. The white dot represents that current evaluation. A plain white dot shows the risk moved to this level on its most recent evaluation. A filled dot shows the risk moved to that level previously and has retained that scoring through at least one further evaluation.

4.2. Within our risk management software – Pentana Risk – there is a full audit trail for each evaluation including dates, risk owners and rationale.

4.3. The register at Appendix A uses highlights to pick out information that is new or changed since last presentation in September 2024. Most notable changes:

- LBL011 (Loss of overall financial control). Retained at “Very High” level, but commentary amended to draw out impact of the HRA on financial forecasts.
- LBL014 (Major procurement failure). Impact reduced as the Council has successfully completed some recent major procurements. We continue to monitor the affects of the Procurement Act 2023 (due to come into force in 2025) on the likelihood arm of the risk evaluation.

- LBL007 (Significant legislative change). Retained as moderate risk, but slight increase in likelihood and reduction in impact following change of government and review of planned legislative programme.
- LBL023 (Significant underperformance or disruption of partner IT). Impact reduced to reflect increased resilience in Council-hosted IT.
- LBL022 (Loss of power in corporate buildings). Removed from the Corporate Risk Register as greater understanding of the threat means this risk now managed within the relevant directorate. This risk is now CEX-LCG014 on the Chief Executive Directorate's Register.

## 5. Directorate, Service and Project Risk Registers

- 5.1. Use of Pentana Risk continues to expand across the Council, including specific project and service registers such as Emergency Planning, Information Risk and IT Security. Sitting within the software enables the Council to undertake analysis across all risk types as well as flag risks for consideration by other groups as their circumstances change.
- 5.2. The combined matrix for directorate-level risks is at figure 1, below. The proportion of risks at high and very high levels has increased slightly since September (from 32% to 36%) largely because of the addition of service-specific budget risks that were not previously recognised separately.

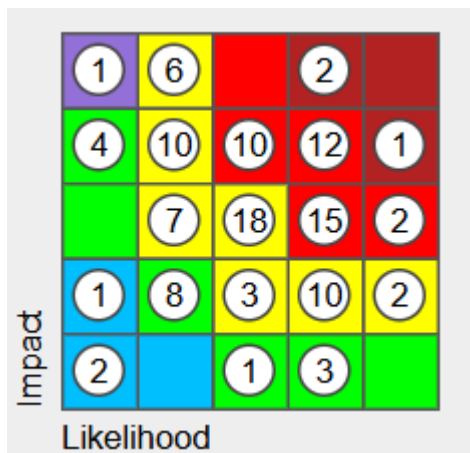


Figure 1: Combined risk matrix for directorates, showing 3 x very high risks, 39x high risks, 56x moderate risks, 17x low risks and 3x very low risks

- 5.3. In January 2025 the Council be joined by its first dedicated risk officer. We intend for that role to further develop use of our risk management software, including producing training and guidance material, to give a full picture of risk and its response at the Council.

## **6. Financial implications**

6.1. Refreshing the Council's risk management approach, including creating the Risk Officer post, is being delivered within existing budgets.

## **7. Legal implications**

7.1. There are none arising direct from this report.

## **8. Risk Implications**

8.1. The report is to note and so has no risk implications directly arising.

## **9. Equalities implications**

9.1. There are none arising direct from this report.

## **10. Climate change and environmental implications**

10.1. There are none arising direct from this report.

## **11. Crime and disorder implications**

11.1. There are none arising direct from this report.

## **12. Health and wellbeing implications**

12.1. There are none arising direct from this report.

## **13. Background papers**

13.1. All relevant background papers are included as appendices.

## **14. Report author and contact**

14.1. For any queries on this report please contact Rich Clarke, Head of Assurance by email at [rich.clarke@lewisham.gov.uk](mailto:rich.clarke@lewisham.gov.uk).

## **15. Appendices**

15.1. Appendix A – Corporate Risk Register, December 2024.