



NEATH PORT TALBOT COUNTY BOROUGH COUNCIL

GOVERNANCE & AUDIT COMMITTEE

REPORT OF THE DIRECTOR OF STRATEGY & CORPORATE SERVICES

MR NOELWYN DANIEL

22nd NOVEMBER 2024

Matter for Monitoring

Wards Affected - All

Corporate Risk Management Arrangements

Purpose of the report

1. To present to Governance & Audit Committee an update on the council's risk management arrangements to enable the Committee to review and assess the risk management arrangements of the council.

Executive Summary

2. The council's Strategic Risk Register was presented to Cabinet on 13th November 2024 for monitoring purposes.
3. The Register is presented to Governance & Audit Committee to enable the Committee to discharge the requirements contained within S81 (c) (d) of the Local Government (Wales) Measure 2011 to "review and assess the risk management arrangements of the authority" and "make reports and recommendations to the authority on the adequacy and effectiveness of those arrangements".
4. A Risk Appetite Statement, attached at Appendix 1, has been developed in recent months to enhance the council's risk management arrangements and will be a key element of the council's Code of Corporate Governance framework. The strategic risk register has been updated to reflect the risk category and appetite as set out in the Risk Appetite Statement.

5. In addition, a number of improvements have been made to the Register.

For ease of monitoring of the content of the Register by Cabinet (as set out in the council's Corporate Risk Management Policy) each risk is set out on its own page, setting out the risk description, mitigating actions, owner's comments and both the inherent and revised risk scoring. To further strengthen the risk register the set of mitigating actions had been split into risk controls and mitigating actions.

Strategic Risks

6. The revised Strategic Risk Register is included at Appendix 2 of this report and includes 20 risks. Members should note that there have been a number of updates since the register was last reported to Governance and Audit. The updates have been noted below and are presented in red text within Appendix 2.

Ref:	Current Version
SR 1	<ul style="list-style-type: none"> Update to owners comments
SR 2	<ul style="list-style-type: none"> Residual risk score reduced from 16 to 12 Update to owners comments
SR 3	<ul style="list-style-type: none"> Residual risk score reduced from 20 to 15
SR 4	<ul style="list-style-type: none"> Update to risk control 3 Update to owners comments Residual risk score reduced from 16 to 12
SR 5	<ul style="list-style-type: none"> No changes
SR 6	<ul style="list-style-type: none"> Update to owners comments Residual risk score reduced from 15 to 12 Additional mitigations added as a result of incorporating SR10 into this risk
SR 7	<ul style="list-style-type: none"> Update to owners comments
SR 8	<ul style="list-style-type: none"> Team name changed from Emergency Planning Team to Civil Protection and Preparedness Team
SR 9	<ul style="list-style-type: none"> No changes
SR 10	Merged with SR 06
SR 11	<ul style="list-style-type: none"> No changes

SR 12	<ul style="list-style-type: none"> • 2 mitigation plans added
SR 13	Risk de-escalated to Social Services, Health and Housing Directorate Risk Register
SR 14	<ul style="list-style-type: none"> • Update to owners comments • Residual risk score reduced from 15 to 10
SR 15	<ul style="list-style-type: none"> • No changes
SR 16	<ul style="list-style-type: none"> • No changes
SR 17	Risk de-escalated to Education, Leisure and Lifelong Learning Directorate Risk Register
SR 18	<ul style="list-style-type: none"> • Update to owners comments • All risk controls and mitigation plans completed
SR 19	<ul style="list-style-type: none"> • No changes
SR 20	Risk merged with SR 06

In addition, the following risks have been added to the register to cover recent local, national and global issues which could potentially impact the council, residents and businesses alike.

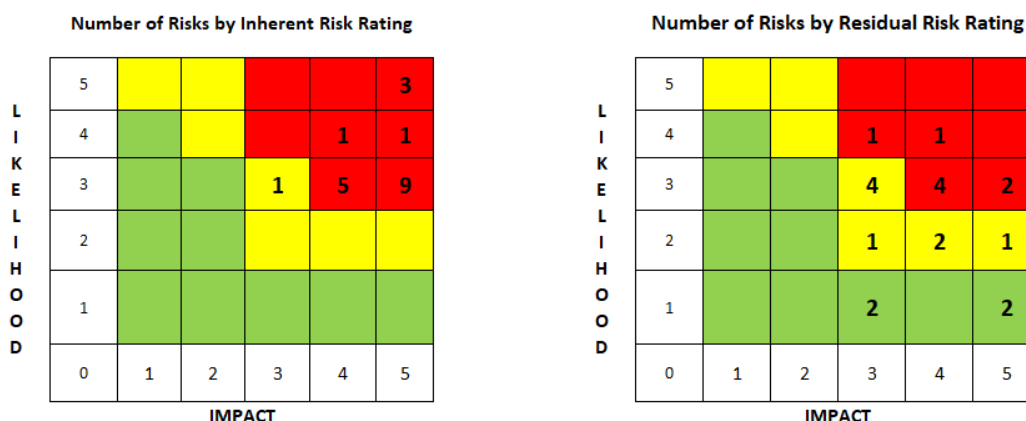
SR 21	<ul style="list-style-type: none"> • IF the continued use of hotel accommodation to discharge the council's statutory homeless duties leads to a 'change of use' in planning terms of such premises, and such use is not assessed and/or regularised, THEN the council will be at risk of legal challenge.
SR 22	<ul style="list-style-type: none"> • IF council, schools and partners do not fulfil responsibilities and fail to comply with statutory duties and timescales as set out in the Additional Learning Needs Education Tribunal Wales (ALNET) Act and Code of Practice THEN there is potential for reputational damage and financial pressures.
SR 23	Risk merged with SR 01
SR 24	<ul style="list-style-type: none"> • IF we don't prepare for climate change impacts with partner agencies THEN people, property and critical infrastructure may become increasingly susceptible to coastal, fluvial and foul water flooding.

SR 25	<ul style="list-style-type: none"> • IF the council does not invest sufficient time, money and effort into decarbonisation, or appropriate technical solutions are not available, THEN we will not achieve 'net zero' target.
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Risk Overview

- Tables 1 and 2 below indicate the number of risks ranked low (green), medium (yellow), high (red), both inherent and residual. Table 2 demonstrates a positive shift in the number of risks which have been downgraded due to individual risk controls and mitigation plans.
- Table 3 (Appendix 3) provides an additional overview of each risk description, the inherent and revised risk and whether there has been a change since this risk was previously reported in June 2024. The risks have also been ranked from highest revised score to lowest, to allow highest scoring risks to be identified more swiftly.

Table 1 & 2



- As contained in the Corporate Risk Management Policy, the Strategic Risk Register should be presented to Cabinet for monitoring, and Governance and Audit as part of their responsibility to review and assess the risk management arrangements on a six monthly basis. The table below sets out a proposed timeline.

Quarter	CDG	Cabinet	Governance & Audit
Qtr. 2	23.10.2024	13.11.2024	29.11.2024
Qtr. 3	22.01.2025	N/A	

Qtr. 4	16.04.2025	30.04.2025	16.05.2024
Qtr. 1 (2025/2026)	16.07.2025	To be confirmed following AGM	

Integrated Impact Assessment

10. There is no requirement for an Integrated Impact Assessment as the report is for monitoring purposes only.

Valleys Communities Impacts

11. No Impact.

Workforce Impacts

12. There are no workforce impacts arising from this report.

Legal Impacts

13. This report enables the Governance and Audit Committee to discharge the requirements contained within S81 (c) (d) of the Local Government (Wales) Measure 2011 to “review and assess the risk management arrangements of the authority” and “make reports and recommendations to the authority on the adequacy and effectiveness of those arrangements

Risk Management Impact

14. This report ensures compliance with the approved Corporate Risk Management Policy.

Consultation

15. There is no requirement for external consultation on this item.

Recommendations

16. It is recommended that Governance & Audit Committee review and assess the council’s risk management arrangements.

Reason for Proposed Decision

17. To ensure compliance with the approved Corporate Risk Management Policy.

Appendices

18. Appendix 1 - Risk Appetite Statement
19. Appendix 2 - Strategic Risk Register V14
20. Appendix 3 - Risk Ranking Table

Background Papers

21. Corporate Risk Management Policy – April 2023

Officer Contact

22. For further information on this report item, please contact:

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