DECISION-MAKER:	**AUDIT COMMITTEE**
SUBJECT:	**STRATEGIC RISKS SUMMARY - END Q1 2025-26**
DATE OF DECISION:	**6th October 2025**
REPORT OF:	**DIRECTOR OF LEGAL & GOVERNANCE**

CONTACT DETAILS				
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STATEMENT OF CONFIDENTIALITY	
Appendix 1 'Summary - Strategic Risks' and Appendix 2 'Risk Matrix' are not for publication by virtue of category 5 paragraph 10.4 of the Access to Information Procedure Rules as set out in the Council's Constitution. The information is exempt from publication as it includes information in respect of which a claim to legal professional privilege could be maintained in legal proceedings.	
BRIEF SUMMARY	
Strategic risks are those risks that are of significant, cross-cutting importance that they are considered to require the attention and oversight of the council's Management Board.	
Both the Audit Committee and the Governance Committee have previously had sight of the council's Strategic Risks as part of the Annual Risk Management Report however it is considered appropriate for these Committees to be sighted on these risks more frequently. This also reflects comments in the 2025 Corporate Peer Challenge report and the current wider governance review regarding increased member visibility of the strategic risks.	
RECOMMENDATIONS:	
(i)	To note the End Q1 2025-26 Strategic Risks (Appendix 1) and the associated Risk Matrix (Appendix 2).
REASONS FOR REPORT RECOMMENDATIONS	
1.	This report is presented to the Audit Committee as the member body responsible for providing independent assurance on the adequacy of the risk management framework and the internal control and reporting environment. This includes being satisfied and providing assurance that appropriate controls and actions are being taken on risk.
2.	The appendices will also be shared with members of the Governance Committee recognising that risk management forms part of the council's overall governance arrangements and it is therefore appropriate for them to be sighted on the strategic risks.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED	
3.	The option of reporting to the Audit Committee on a quarterly basis was considered. However, following a communication with the chairs of both the Audit Committee and the Governance Committee, it was determined that initially the strategic risks would be presented on a six-monthly basis. The Audit Committee will then guide whether they require more frequent updates.
DETAIL (Including consultation carried out)	
4.	The Strategic Risk Register is a document that captures and reports on the status of the council's key strategic risks. Strategic risks are defined as those risks that are of significant, cross-cutting importance to the council that they are considered to require the attention and oversight of the council's senior management team (the Management Board). Strategic risks reflect a combination of 'resilience' and 'governance' type risks together with risks that are more transient in nature. 'Resilience' type risks typically include business continuity and disaster recovery whilst organisational 'Governance' risks typically relate to those areas where ongoing assurance, in respect of risk management arrangements in place, is appropriate e.g. safeguarding, information governance, health and safety.
5.	In addition, there will be risks that are more transient in nature and may reflect new or emerging risks where Management Board oversight is considered necessary. These risks may only require oversight for a limited period whilst suitable risk mitigations are developed and implemented.
6.	The Strategic Risk Register is presented in an 'Assurance' type format with each Strategic Risk having an overall 'Current Risk Score' based on an assessment of the likelihood of the risk event occurring and its potential impact. The risk scores are captured on a 'Weighted Risk Matrix' (Appendix 2) that illustrates how the risks compare with each other in terms of impact and likelihood.
7.	Each strategic risk has its own individual assurance report which includes 'Expected Key Controls' (that inform and direct the type and nature of the required mitigating actions), 'Sources of Assurance' (that reflect the existing controls in place to manage the risk) and 'Further Mitigating Actions' (detailing further actions being undertaken or planned to manage the risk).
8.	The Strategic Risk Register is updated and reviewed on a quarterly basis by the council's 'Management Board' who are responsible for identifying and agreeing the council's strategic risks and for ensuring that appropriate actions are in place, or are being taken, to manage the risks in line with the council's risk appetite.
9.	The Management Board is also responsible for ensuring that any new or emerging risks are identified and considered. Individual Executive Directors may also seek to escalate a significant 'directorate risk' for proposed inclusion on the Strategic Risk Register. Any such risk would however be expected to be of significant, cross-cutting importance to the council such that it is considered to require Management Board oversight.
10.	On an annual basis a review is undertaken of a sample of 'Key Cities Strategic Risks' to compare and contrast the type and number of strategic risks identified against the council's Strategic Risk Register. The last review, in Q4

	2024-25, identified that there was commonality in terms of the type and number of key risks identified.
11.	The End Q1 Strategic Risks 2025-26 were presented to the council's Management Board for review on 29th July 2025 as an appendix to the 'Quarterly Governance Report' presented by the Director of Legal and Governance. The End Q2 report will be presented to the Management Board on 28th October 2025.
RESOURCE IMPLICATIONS	
Capital/Revenue	
12.	None
Property/Other	
13.	None
LEGAL IMPLICATIONS	
Statutory power to undertake proposals in the report:	
14.	The Accounts and Audit (England) Regulations 2015 Part 2 Section 3A(c) require the Council to have in place a 'sound system of internal control which includes effective arrangements for the management of risk'
Other Legal Implications:	
15.	None
RISK MANAGEMENT IMPLICATIONS	
16.	Appendix 1. is intended to provide the Committee with information and assurance that the council's key Strategic Risks have been identified and are being managed.
POLICY FRAMEWORK IMPLICATIONS	
17.	None

KEY DECISION?	**No**
WARDS/COMMUNITIES AFFECTED:	Not applicable

SUPPORTING DOCUMENTATION

Appendices	
1.	2025-26 End Q1 Strategic Risks (exempt)
2.	Risk Matrix (exempt)

Documents In Members' Rooms

1.	Not applicable
Equality Impact Assessment	
Do the implications/subject of the report require an Equality and Safety Impact Assessment (ESIA) to be carried out.	No
Data Protection Impact Assessment	

<table>
<tr><td colspan="3">Do the implications/subject of the report require a Data Protection Impact Assessment (DPIA) to be carried out.</td><td>No</td></tr>
<tr><td colspan="4">Other Background Documents
Other Background documents available for inspection at:</td></tr>
<tr><td colspan="2">Title of Background Paper(s)</td><td colspan="2">Relevant Paragraph of the Access to Information Procedure Rules / Schedule 12A allowing document to be Exempt/Confidential (if applicable)</td></tr>
<tr><td>1.</td><td>Not applicable</td><td colspan="2"></td></tr>
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