

<b>Meeting of:</b>	<b>GOVERNANCE AND AUDIT COMMITTEE</b>
<b>Date of Meeting:</b>	<b>29 JANUARY 2026</b>
<b>Report Title:</b>	<b>CORPORATE RISK POLICY AND ASSESSMENT</b>
<b>Report Owner / Corporate Director:</b>	<b>CHIEF OFFICER – FINANCE, HOUSING &amp; CHANGE</b>
<b>Responsible Officer:</b>	<b>CARYS LORD CHIEF OFFICER – FINANCE, HOUSING AND CHANGE</b>
<b>Policy Framework and Procedure Rules:</b>	<b>There is no impact on the policy framework or procedure rules.</b>
<b>Executive Summary:</b>	<ul style="list-style-type: none"> <li>• The Corporate Risk Assessment is reviewed by the Governance and Audit Committee as part of the terms of reference for the Committee.</li> <li>• The Corporate Risk Assessment has been considered and reviewed in consultation with Corporate Management Team.</li> <li>• The Corporate Risk Management Policy has been reviewed and is brought to Committee for consideration and approval</li> <li>• All risks have been updated to reflect the current corporate risks being managed by the Authority.</li> </ul>

## 1. Purpose of Report

1.1 The purpose of this report is to provide the Governance and Audit Committee with an updated Corporate Risk Assessment 2025-26 and an updated Corporate Risk Management Policy.

## 2. Background

2.1 Good governance requires the Council to develop effective risk management processes, including an assessment of corporate risks. The Terms of Reference of this committee require it to review, scrutinise and issue reports and recommendations on the appropriateness of the Council's risk management, internal controls and corporate governance arrangements.

2.2 The Corporate Risk Assessment is considered and reviewed by the Corporate Management Team (CMT) and the Governance and Audit Committee, as part of the Council's Performance Assessment framework and is used to inform the overview and scrutiny committees' forward work programme.

### 3. Current situation / proposal

3.1 The Corporate Risk Assessment at **Appendix A** is aligned with the Council's Medium Term Financial Strategy and Corporate Plan and has been reviewed in consultation with the Corporate Management Team. The document identifies the main risks facing the Council together with the likely impact of these risks on Council Services and the wider County Borough. It also identifies what actions are being taken to manage the risks and who is responsible for the Council's response.

3.2 There are 11 corporate risks identified on the register. The revised Assessment attached at **Appendix A** does not change the number however all the risks and narratives have been reviewed. Many of the narratives have been updated to reflect the current position with regards to the risks. The proposed scores have been changed for the following risks:

<b>Risk Number</b>	<b>Identified Risk</b>	<b>Proposed Change</b>
COR – 2019 - 01	The Council is unable to deliver a balanced budget and sustain services into the medium term.	The score has been reduced from 25 to 20 due to the improved financial position in the current year and the better than anticipated financial settlement from Welsh Government for 2026-27
COR - 2019 - 02	The Council is unable to deliver transformation and major service change, including projects and agreed financial savings	The score has been reduced to reflect increased senior capacity that has been approved to assist with transformation.
CEX – 2019 - 01	The Council is unable to identify and deliver infrastructure improvements required in the medium to longer term due to the cessation of external grants, the increased cost of borrowing and the increased costs of construction and building works	The score has been decreased to reflect the external funding received to undertake major regeneration works in the area. Also, an improved financial position has meant that the capital reserves were supported at the end of 2024-25.
COR – 2024 - 01	There is a threat to business continuity if the Council is unable to procure and implement major ICT systems which support critical services such as a replacement system for Care Director (WCCIS) and the Capita One system for education.	The score has been reduced as a new social care system has now been procured and the Council is working within the region to manage the implementation of the new system.

- 3.3 All of the risks on the Corporate Risk Assessment are in the High category.
- 3.4 The Corporate Risk Management Policy has been updated to reflect changes since it was last updated in 2023–24.
- 3.5 The Policy with the proposed changes is attached at **Appendix B** with the amended Policy at **Appendix C**.
- 3.6 The Council has accepted the findings of the Audit Wales Report “Review of Risk Management”, and work is now ongoing to address the issues raised. This will include:
  - Fully implementing the risk management software within all service areas to record and report on risks at departmental and corporate level;
  - A review and agreement of the Council’s risk appetite;
  - A review of how risk is reported; and
  - A review of the training available to staff with regards to risk and risk management;
- 3.7 Progress on this work will be reported to Governance and Audit Committee

#### **4. Equality implications (including Socio-economic Duty and Welsh Language)**

- 4.1 The protected characteristics identified within the Equality Act, Socio-economic Duty, and the impact on the use of the Welsh Language have been considered in the preparation of this report. As a public body in Wales the Council must consider the impact of strategic decisions, such as the development or the review of policies, strategies, services, and functions. This is an information report, therefore, it is not necessary to conduct an Equality Impact assessment in the production of this report. It is considered that there will be no significant or unacceptable equality impacts because of this report.

#### **5. Well-being of Future Generations implications and connection to Corporate Well-being Objectives**

- 5.1 The well-being goals identified in the Act were considered in the preparation of this report. It is considered that there will be no significant or unacceptable impacts upon the achievement of well-being goals/objectives because of this report.

#### **6. Climate Change and Nature Implications**

- 6.1 There are no climate change or nature implications as a result of this report.

#### **7. Safeguarding and Corporate Parent Implications**

- 7.1 There are no Safeguarding or Corporate Parent implications as a result of this report.

#### **8. Financial Implications**

8.1 There are no financial implications directly associated with the Corporate Risk Assessment.

## **9. Recommendation**

9.1 It is recommended that:

- the Committee consider the Corporate Risk Assessment (**Appendix A**); and
- the Committee agrees to the changes proposed in para 3.2 prior to submission of the Corporate Risk Assessment to Council for approval on 25 February
- It is recommended that the Committee considers and approves the Council's updated Corporate Risk Management Policy at **Appendix C**.

## **Background documents**

None