

Audit Committee

26 June 2025

Public Question received from Mr John Palmer

In the Risk Annual Report (Item 13 on your agenda), there is a concerning climber in the Strategic Risk List (Appendix C).

"Failure of officers and members to adhere to governance arrangements" has shot up from a status score of 12 (L4, I3) in September 2024, to the present danger red status score of 20 (L5, I4).

Will the committee be questioning what the main factors in that are - in plain English for the public please?

What's going on?

Response from the Executive Director of Resources (Section 151 Officer)

The Strategic Risks of the authority are just that, risks. And a *risk* of something happening does not mean it *is* happening – identifying the risk and putting control measures in place to mitigate the risk of it happening, is itself part of good governance.

In light of the Council's difficult financial position requiring a prioritisation on financial survival, a large scale voluntary redundancy programme impacting staffing numbers and experience, ongoing and limited assurance around the Council's internal control environment, and a local election that could result in a significant number of new and inexperienced Members, the strategic risk "Failure of Officers and Members to adhere to Governance arrangements" was assessed. As part of that assessment, it was felt that the risk, quite reasonably, increases under these circumstances and therefore further controls would need to be considered. The aim is to prevent this risk becoming a reality by ensuring the risk is appropriately assessed and managed.