

Leicester
City Council

MEETING OF THE GOVERNANCE AND AUDIT COMMITTEE

DATE: MONDAY, 16 MARCH 2026

TIME: 5:30 pm

PLACE: Meeting Room G.01, Ground Floor, City Hall, 115 Charles Street, Leicester, LE1 1FZ

Members of the Committee

Councillor Kaur Saini (Chair)

Councillor Russell (Vice-Chair)

Councillors Bajaj, Joel, Moore, Rae Bhatia, Singh Patel and Kitterick

Independent members: Seema Jaffer and Mohammed Chunara

Members of the Committee are invited to attend the above meeting to consider the items of business listed overleaf.

For Monitoring Officer

Officer contacts:

Officer contact: Sharif Chowdhury Senior Governance Officer Governance Services, Leicester City Council, City Hall, 115 Charles Street, Leicester, LE1 1FZ Tel. 01164540538 Email. governance@leicester.gov.uk

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PUBLIC SESSION

AGENDA

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1. APOLOGIES FOR ABSENCE

2. DECLARATIONS OF INTEREST

3. MINUTES OF THE PREVIOUS MEETING (Pages 1 - 4)

The minutes of the meeting held on 17 February 2026 are attached and Members will be asked to confirm them as a correct record.

4. RISK MANAGEMENT & BUSINESS CONTINUITY STRATEGY AND POLICIES 2026 (Pages 5 - 56)

The Director of Corporate Services submits the Strategic and Operational Risk Registers to the Governance and Audit Committee.

The Governance and Audit Committee is recommended the following:

1. That the updated Corporate Risk Management Policy Statement and Strategy (appendix 1) be noted. This sets out the council's attitude to risk and the approach to be adopted to manage the challenges and opportunities in relation to the Council's strategic objectives.
2. That the Corporate Business Continuity Management Policy Statement and Strategy (appendix 2) which provides a framework to consider and manage disruptions to service delivery, and sets out the council's attitude, perception and approach towards implementing business continuity practices, be noted.

5. RISK MANAGEMENT UPDATE (Pages 57 - 82)

The Director of Corporate Services submits the Risk Management Update to the Governance and Audit Committee.

The Governance and Audit Committee is recommended to note the SRR and ORR, and in particular any updates made to the strategic and operational risks.

**6. REGULATION OF INVESTIGATORY POWERS ACT (Pages 83 - 86)
2000 - BI-ANNUAL PERFORMANCE JULY-
DECEMBER 2025**

The City Barrister and Head of Standards submits a report to the Governance and Audit Committee.

The Governance and Audit Committee is recommended to:

1. Receive the Report and note its contents.
2. Make any recommendations or comments it sees fit either to the Executive or to the City Barrister and Head of Standards.

**7. INTERNAL AUDIT UPDATE AND INTERNAL AUDIT (Pages 87 - 102)
PLAN 2026/27**

The Head of Internal Audit submits the Internal Audit Update and Internal Audit Plan 2026-27 to the Governance and Audit Committee.

The Governance & Audit Committee is recommended to approve the 2026/27 internal audit work programme.

8. FINANCE UPDATE - STATEMENT OF ACCOUNTS (Pages 103 - 106)

The Director of Finance submits the Finance Update – Statement of Accounts report to the Governance and Audit Committee.

The Governance and Audit Committee is recommended to note the report.

**9. ANNUAL REVIEW OF THE COUNCIL'S LOCAL CODE (Pages 107 - 118)
OF CORPORATE GOVERNANCE**

The Director of Finance submits the Annual Review of the Council's Local Code of Corporate Governance report to the Governance and Audit Committee.

The Governance and Audit Committee is recommended to approve the Local Code of Corporate Governance 2026/27, at Appendix 1.

**10. COMMITTEE'S ANNUAL WORK PERFORMANCE (Pages 119 - 126)
REPORT 2025/26**

The Director of Finance submits the Committee's Annual Work Performance Report 2025-26 report to the Governance and Audit Committee.

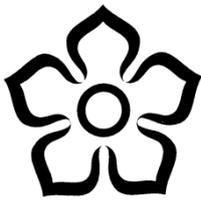
The Governance and Audit Committee is recommended to approve this report for submission to the Council, subject to any amendments that it may wish to make.

11. ACTION TRACKER

(Pages 127 - 128)

The Committee is recommended to note progress on actions agreed at the previous meeting and not reported elsewhere on the agenda (if any).

12. ANY OTHER URGENT BUSINESS



Leicester
City Council

Item 3

Minutes of the Meeting of the
GOVERNANCE AND AUDIT COMMITTEE

Held: Tuesday, 17 February 2026 at 5:30 pm

P R E S E N T :

Councillor Kaur Saini (Chair)
Councillor Russell (Vice Chair)

Councillor Bajaj
Councillor Joel

Councillor Dr Moore
Councillor Rae Bhatia

Councillor Singh Patel

* * * * *

1 Apologies for Absence

Apologies were received from Cllr Kitterick.

2 Declarations of Interest

There were no declarations of interest.

3 Minutes of the Previous Meeting

The minutes of the previous of meeting held on 26 January 2026 were confirmed as a correct record.

4 Statutory Statement of Accounts and Annual Governance Statement 2024/25

The Director of Finance submitted a report to the Governance and Audit Committee which presented the Statutory Statement of Accounts and Annual Governance Statement 2024/25, along with an update from the External Auditor, which detailed their audit work and any recommendations.

The following points were highlighted:

- Resourcing the team had been a challenge, but this was an issue nationally.
- Other issues faced included a change in requirements around leasing and complex contracts.

- There was a £10m impact on the general fund due to the settlement with Biffa. The cost had effectively been brought forward into this set of accounts.
- There had also been an impact caused by a move in investment from capital to revenue.
- The action plan contained a recommendation on quality control processes within capital accounting based on material errors.
- The report contained an update on recommendations made, eight of these had not been addressed. Some of these that were highlighted included:
 - Completeness of Income and Expenditure not being accrued
 - The process for Schools Cash Balances still being completed at the end of March.
- There had been some improvement around the revaluations of assets. However, material errors had been identified in the valuations themselves. As such a recommendation had been brought forward on quality control processes on valuations.
- There was a focus on now the audit process could be made more efficient to meet the deadline.

With regard to questions and comments from members, the following was noted:

- In response to queries about resourcing issues, it was recognised that this was not a quick fix, but work was being done to bring resources into the team. New staff had been brought in, but it took time for them to gain experience.
- A report on improvement arrangements would be brought to future reports.
- Regarding a suggestion to have a dashboard to that progress against areas for improvement could be monitored, it was suggested that an update could be brought to the Committee, and a progress report could be given so that audits could be examined and assurance given that things were improving and concerns could be highlighted.
- It was noted that similar errors in accounting happened in other local authorities, but the quantum of errors at the Council was high.
- With regard to improving quality control processes, the valuation process had improved since last year, there was a lot less query on the valuation of assets. This was largely about checks and balances, and the checks should be done before the entries were done. It was further noted that valuations could be subjective and there would be debate between the Council and auditors on valuations.
- With regard to a query on investments treated as Capital, it was explained that property funds had been invested in and these had been treated as a capital investment as guidance at the time had suggested. This had then gone into an unusable reserve. The rules had then changed such that this should not have been treated as Capital, but as a normal investment. Therefore, it now needed to be shown as a usable reserve, and as such was now being treated as revenue.

- It was stressed that concerns raised around the findings could not be repeated again.
- A report could come to the Committee on the new finance system.

RECOMMENDATIONS:

- 1) That a report be brought on additional resources to prevent future issues.
- 2) That an action plan be brought to the Committee.

AGREED:

- 1) That the auditor's ISA 260 Report (the Audit Findings Report) to those
- 2) charged with Governance and the recommendations contained within be noted.
- 3) That the Statement of Accounts 2024/25 be approved.
- 4) That the Annual Governance Statement be approved.
- 5) That the Letter of Representation submitted by the Director of Finance be approved.
- 6) That authority be delegated to approve changes in relation to IFRS16 and any minor amendments to the Annual Accounts and Annual Governance Statement to the Director of Finance, subject to a report to the Committee at the next meeting.

Councillor Joel joined the meeting during the consideration of this item.

5 **External Audit Annual Report 2024/25**

The External Auditors, Grant Thornton, and Head of Finance submitted a report to the Governance and Audit Committee which presents the External Audit Annual Report 2024-25.

The following points were highlighted:

- Financial strategy continued to be a risk
- A weakness surrounded the Designated Schools Grant deficit, whilst we await government plans.
- A weakness relating to the recent housing regulator outcomes.

With regard to questions and comments from members, the following was noted:

- In response to a query on the DSG, it was clarified that the papers showed the split.
- Information on governance arrangements surrounding Housing could come to the Committee.

AGREED:

That the report be noted.

6 Any Other Urgent Business

The Chair advised members that items raised under Any Other Urgent Business should be agreed with the Chair in advance of the meeting.

The meeting ended at 18:15.

Item 4

The Corporate Risk and Business Continuity Policies and Strategies

Date of meeting: 16th March 2026

Lead director/officer: Andrew Shilliam

Director of Corporate Services

Useful information

■ Ward(s) affected: All

■ Report author: Sonal Devani, Corporate Risk Management & Business Continuity Manager

■ Author contact details: 0116 454 1635

■ Report version number: 1.0

1. Summary

- 1.1 The purpose of this report is to present to Governance and Audit the Risk Management and Business Continuity Policy Statements and Strategies (Appendix 1 and 2), which form an important part of the council's governance arrangements by providing an effective framework for Leicester City Council (LCC) to manage and respond to key risks facing its services and to support the delivery strategic priorities and objectives, and to manage the impacts of potential disruption to ensure continuity of service delivery.
- 1.2 To date, improvements have been made in strengthening risk management arrangements within the council's diverse business units allowing for the continuity of delivery of service, albeit in a proportionate way.
- 1.3 The council has also established robust business continuity practices, and progress continues to be made to strengthen Business Continuity Management (BCM) arrangements, particularly addressing the continuous change the organisation experiences.
- 1.4 In line with our agreed corporate approach, an annual review of both Policies and Strategies has taken place to support the ongoing implementation of risk management and business continuity procedures/processes.

2. Recommended actions/decision

- 2.1 That the updated Corporate Risk Management Policy Statement and Strategy (appendix 1) be noted. This sets out the council's attitude to risk and the approach to be adopted to manage the challenges and opportunities in relation to the Council's strategic objectives.
- 2.2 That the Corporate Business Continuity Management Policy Statement and Strategy (appendix 2) which provides a framework to consider and manage disruptions to service delivery, and sets out the council's attitude, perception and approach towards implementing business continuity practices, be noted.

3. Scrutiny / stakeholder engagement

- 3.1 The Council's Insurance Services team have been consulted to provide an update on the insurance related matters in the Risk Policy and Strategy, and both have been considered and approved by the Corporate Management Team.

4. Risk Management Update

- 4.1 The Risk Management Strategy sets the corporate outlook on how the Council manages its risks. This is vital in the overall governance framework of the Council and is particularly important in the current environment given the need to deliver our services in a different and more cost-effective way within our diverse business units.
- 4.2 Effort continues to be made to integrate risk management into the Council's culture, its everyday business operations and those of its contractors and partners. Every project/programme should have a risk assessment/log and risk management should be a significant part of managers overall duties.
- 4.3 The Risk, Emergency and Business Resilience Team (REBR) is continuing to work with business areas to ensure compliance with the Council's Risk Management Policy and Strategy. Work is ongoing to address some specific areas of weakness although it should be highlighted that practice continues to improve and such weaknesses are much less prevalent than in previous years.
- 4.4 Very occasionally, risk assessments are being completed that are not fit for purpose (limited detail, no clearly defined risk etc.), sometimes risk assessments are being completed by staff who have not attended the essential risk management training, the impact cost of risk is not always clear when considering indemnity limits to be sought from third parties, thus exposing the council to unnecessary or uninsured risk or (if specified limits are higher than necessary).

Key Deliverables 2026

- 4.5 The key deliverables in this year's strategy, include:
 - 4.5.1 Ensuring the Risk Management Framework at the council continues to reflect the organisational structure, and those risks affecting the delivery of the council's priorities and objectives are properly identified, assessed, managed, monitored and reported;
 - 4.5.2 Continuance of the process whereby Divisional Directors (and their Heads of Service) have individual risk registers feeding through to the council's Strategic and Operational Risk Register, which is reviewed by CMT, led by the Chief Operating Officer, supported by the Director of Corporate Services and the Corporate Risk Manager;
 - 4.5.3 Continuing to integrate and embed risk management into the Council's culture and its everyday business operations via awareness of the risk management policy and strategy, risk management training sessions, attendance at DMTs by a member of the REBR Team, periodic population of risk reports to present at CMT, CMB & G&A. Risk management should be a part of a manager's overall duties, part of the daily process and not a 'form filling' exercise seeking to 'add value'. A risk assessment should be completed and / or updated for each project or contract being let and for all our significant procedures, as a minimum;
 - 4.5.4 Continuing to support the operational service areas in the development and improvement of their individual risk registers by identifying training needs, providing support and guidance, and delivering training to them;

- 4.5.5 REBR attending Directorates DMT's to provide a critical eye friend approach on the divisional risk registers, which will help with achieving the above;
- 4.5.6 A training programme has been established for 2026 (appendix 5 of the strategy). Directors and managers should continue identifying staff requiring risk management training not only through the appraisal process, but also by job specification process. As it is the business areas that 'own' and should manage their risks;
- 4.5.7 As part of the procurement process, risk is continued to be considered, identified and assessed and in the procurement of goods / services with contractors and partners and;
- 4.5.8 Emphasising via training sessions/DMTs or any other means that the risk service is perceived across the council as 'risk advisers' who will assist managers in scoping and managing their risk exposure to enable the implementation of innovative schemes. This team do not manage the council's risks as this remains service areas' responsibility.

Risk and insurance

- 4.6 Whilst our insurance arrangements protect the Council from the financial impact following catastrophic loss in any given year, any overall deterioration in the council's loss experience will have an impact on premiums for future years. Effective claims management can reduce the cost of settling claims, feedback is provided to departments to help prevent any reoccurrence and share lessons learnt. It is never possible (or desirable) to eliminate the cost of loss; however, proper attention to risk control can maintain low incident rates and reduce the financial impact.

Business continuity update

- 4.7 The Council is committed to implementing a robust and effective Business Continuity Management System (BCMS) as a key mechanism to restore and deliver continuity of critical services in the event of a disruption or emergency. We have established robust business continuity practices and progress continues to be made to strengthen BCM arrangements. The Business Continuity Policy and Strategy at Appendix 2 sets out how the council achieves an effective approach. The Council's BCM practices are consistent with the International BC Standard (ISO22301) and ensure that its business continuity responsibilities under the Civil Contingencies Act (2004) are met. Following the intensive and constant progress made in the last few years, the council is aligning more to the standard.
- 4.8 The council has developed a good understanding of BCM and this is being embedded effectively into the council's culture and everyday business operations and those of its contractors and partners. The Incident Response Plan (IRP) is part of the overall framework for contingency planning and is reviewed annually and augments the implementation of business continuity practices within the organisation.
- 4.9 The BCM framework adopted by LCC contributes towards identifying our critical services and ensuring BCPs exist for such services. An annual self-certification process is standard practice whereby directors confirm their plans have been reviewed annually as a minimum and tested biennially understanding the importance

of the BIA and its findings supporting this process. However, BCPs and BIAs are reviewed and updated to reflect changes in service areas as and when they occur or following an incident (if before the annual review). REBR will also provide feedback on Critical BCPs every two years and officers should acknowledge and appreciate that BCPs may not be 100% foolproof as there will be the 'unknowns'.

4.10 REBR will also facilitate testing service BCPs and is regularly involved in undertaking reviews and testing of plans with service areas. Our BCM system is tailored to fit the nature of the organisation for it to be successful. One size does not fit all and failing to plan appropriately may result in loss of service delivery, financial loss, reputational damage, and possibly litigation in the event of an incident.

Key deliverables 2026

4.11 During the next 12 months the focus in relation to effective BCM will be:

4.11.1 An IRP exercise in January 2026 incorporating both business continuity and emergency management disciplines.

4.11.2 To ensure the Corporate BCP template is reviewed and updated and made available for council-wide use

4.11.3 To ensure BCPs are reviewed and updated accordingly by services, particularly for business-critical services and are submitted to REBR.

4.11.4 Carry out further BIAs upon request of services if they are deemed to be critical.

4.11.5 To ensure the continuation of testing all critical service BCPs every 2 two years as stipulated in the Self Certification signed off by directors annually. See Appendix 3 for the status of testing critical services BCPs.

4.11.6 Provide council-wide training and bespoke sessions upon request of services.

4.11.7 Follow up with interested schools (maintained) the offer of BC Planning, developing their BCP and testing.

4.12 REBR work with partners/stakeholders to discuss and share best practice and to promote business continuity. LCC's major incident plan, if invoked, is aligned to link to wider Local Resilience Forum (LRF) emergency response plans and LCC work to ensure we have consistency of approach and work collaboratively to achieve the desired outcome.

4.13 The Corporate Risk Management and Business Continuity Manager Chairs the 'Multi-Agency Business Continuity Group' inviting BCP Officers from partner organisations to share good practice, how they dealt with responding to a BC-related issue and what they have learnt from this. The participants include, for example, blue light services, district authorities, utilities.

Financial, legal, equalities, climate emergency and other implications

5.1 Financial implications

Risk

The revised Risk Management Policy Statement and Strategy is intended to promote an effective approach to risk across the Council, and in financial terms minimise the costs of insurance premiums, successful claims and responding to incidents.

Business Continuity

Rigorous, targeted and proportionate BCP arrangements are essential to ensure the council can be confident of recovering effectively from a major incident and with as little additional or abortive expense as possible.

Stuart McAvoy – Head of Finance

Dated: 2nd December 2025

5.2 Legal implications

Rigorous Risk Management/BCM arrangements are essential to ensure the council can be confident of ensuring it has proper cover for its legal liabilities.

Signed: Kamal Adatia, City Barrister, Ext 37 1401

Dated: 2nd December 2025

5.3 Equalities implications

Risk

Under the Equality Act 2010, public authorities have a Public Sector Equality Duty (PSED) which means that, in carrying out their functions, they have a statutory duty to pay due regard to the need to eliminate unlawful discrimination, harassment and victimisation and any other conduct prohibited by the Act, to advance equality of opportunity between people who share a protected characteristic and those who don't and to foster good relations between people who share a protected characteristic and those who don't.

Protected Characteristics under the Equality Act 2010 are age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

Effective risk management is essential for organisations and their partners to achieve strategic objectives and improve outcomes for local people and therefore is likely to be beneficial to people from across all protected characteristics.

However, in some circumstances, effective risk management will be particularly relevant to those with a particular protected characteristic (for example, safeguarding risks and risks which could result in service disruption). Therefore, a robust risk strategy and policy

statement which is embedded effectively will minimise the likelihood of ineffective risk management resulting in a disproportionate impact on those with particular protected characteristic/s.

The 2026 strategy identifies other potential risks which are relevant to equalities, such as legislative requirements (ensuring that the council meets its statutory duties) and the risks posed by demographic changes. The strategy promotes that the management of such risks should be embedded into the day-to-day business and culture of the council, the continued integration and embedding of risk management into the council's culture and its everyday business operations support the continued delivery of positive equalities outcomes for the citizens of Leicester.

Business Continuity

A robust approach to business continuity planning will limit the impact of incidents and plays a key role in maintaining service delivery, therefore there will be a positive impact across all protected characteristics.

If business continuity planning is not effective there is a greater risk where a service has been identified as critical. If those critical services were unable to maintain service delivery, there may be a disproportionate impact on those with particular protected characteristic/s, such as age and disability.

This framework, including the Incident Response Plan ensures that critical services are identified and have current BCPs, thereby minimising the impact of incidents that could otherwise have a disproportionate effect on certain protected groups. The recommendation, to approve the 2026 Corporate Business Continuity Management Policy Statement and Strategy will support a robust approach and minimise the impact of incidents which could have a disproportionate impact on certain protected groups.

The correct prioritisation in the event of an incident, will ensure that those areas of greater risk, including risks around equalities and human rights will be prioritised provided this is a consideration in any changes that are made.

Signed: Surinder Singh, Equalities Officer, Ext. 37 4148

Dated: 2nd December 2025

5.4 Climate Emergency implications

There are no significant climate change implications directly associated with this report. However, it worth noting that the impacts of worsening climate change are among those covered by council's risk management processes.

Signed: Phil Ball, Sustainability Officer, Ext 37 2246

Dated: 2nd December 2025

5.5 Other implications (You will need to have considered other implications in preparing this report. Please indicate which ones apply?)

OTHER IMPLICATIONS	YES/NO	Paragraph/References Within Supporting information
Risk Management	Yes	All of the paper.
Legal	No	Rigorous Risk Management arrangements are essential to ensure the council can be confident of ensuring it has proper cover for its legal liabilities.
Policy	Yes	All of the paper.
Sustainable and Environmental	No	
Crime and Disorder	No	
Human Rights Act	No	
Elderly/People on Low Income	No	
Corporate Parenting	No	
Health Inequalities Impact	No	

6. Background information and other papers:

N/A

7. Summary of appendices:

Appendix 1 – Corporate Risk Management Policy Statement and Strategy 2026

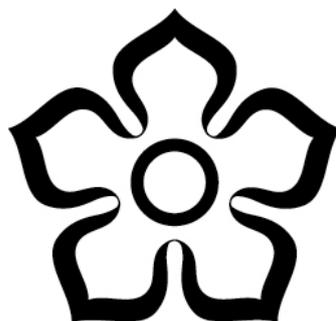
Appendix 2 – Corporate Business Continuity Policy Statement and Strategy 2026

8. Is this a private report (If so, please indicate the reasons and state why it is not in the public interest to be dealt with publicly)?

No

9. Is this a “key decision”? If so, why?

N/A



Leicester
City Council

Risk Management Policy Statement and Strategy 2026

11/11/2025
Leicester City Council
Sonal Devani on behalf of Andrew Shilliam

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Enterprise Risk Management

Policy Statement and Strategy 2026

Risk Management Policy Statement

Leicester City Council's (LCC) approach to the management of enterprise risk

Risk management involves identifying, assessing, managing, monitoring, reporting, and communicating the council's threats and opportunities. By doing so effectively, LCC is in a stronger position to deliver its objectives. Risk is a feature of all business activity and is an attribute of the more creative of its strategic developments. The Council acknowledges that risk can never be eliminated entirely and accepts the need to take proportionate risks, which should be identified and managed appropriately in order to achieve its strategic objectives. However, residual risks may still be high after further controls are identified and implemented. Such risks may relate to activities/projects where the organisation has statutory responsibilities to deliver those services, and in such instances, it is important that risks are being managed effectively and efficiently and the impact is minimised as far as is reasonably practicable should the threat/event occur. By assessing potential problems and developing strategies to address them, we are able to improve our chances of a successful, if not perfect, delivery of the project/initiative assessed. The Council recognises that managing risk can also identify positive opportunities which, with the appropriate level of control, may lead to service improvements. The measures which the Council adopts are principles of good management practice, which seek to control and balance risk and opportunity. The risk strategy implemented at the Council supports this and ensures that high priority risks are cost effectively managed and provide decision makers at all levels with the information required to make informed decisions.

The key objectives of Risk Management at LCC are to:

1. Proactively identify, manage and act on opportunities and threats to enable the Council to achieve its objectives and integrate risk management into the culture and day to day activities of the Council.
2. Prevent death, injury, damage, losses, and reduce and minimise the cost of incidents and accidents.
3. Comply with governance requirements, with risk management (including the identification of risks and plans to manage them) forming an integral part of the Council's governance, including decisions taken by the Executive and the Corporate Management Team (CMT).
4. Make the Executive, CMT and Governance and Audit Committee aware of the potential key strategic and operational risks.
5. Ensure the organisation's risk profile and exposure is communicated top down, bottom up and across the organisation and coordinate targeted action plans designed to manage or reduce the risk profile.
6. Embed, actively support and promote risk management. Raise awareness of the need for risk management to those involved in developing the Council's policies and delivering services and ensure it is understood that risk management is a cross service planning activity.
7. Ensure that a systemic and consistent approach to risk management is adopted throughout the organisation and as part of divisional planning, performance management and models of operation.
8. Supporting a culture of well-measured risk taking throughout the Council's business and informing operational decisions by identifying risks and their likely impact.
9. Ensure risks are considered, actioned and responsibility is assigned in the commissioning, procurement and contract management of goods/services.
10. Manage risk in accordance with best practice and comply with statutory and regulatory requirements, for example Fraud Act, Anti Bribery and Care Acts.

The above objectives will be achieved by:-

1. Ensuring CMT, Directors, Executive and other relevant stakeholders obtain assurance that the Council and its services are managing and mitigating risks that could affect the achievement of the organisation's objectives.
2. Establishing appropriate risk reporting mechanisms and risk communications council-wide. Ensure a process is in place to allow for the submission of Strategic and Operational Risk Registers to CMT, City Mayor and Executive, Governance and Audit Committee and relevant stakeholders.
3. Ensuring the operations and initiatives that are high risk to the Council are reported and monitored through the appropriate channels and via the relevant director to aid informed decision making.
4. Attending Divisional Management Meetings periodically council-wide to provide a critical eye friend on Divisional Risk Registers.
5. Providing learning opportunities to Council officers on the risk management process across the Council via a rolling training programme year on year with the option of bespoke training.
6. Keeping abreast of best practice throughout the industry and through the continual review and improvement of the council's risk management practices.
7. Good practice tools to support management of risks applied consistently throughout the council and reinforcing the importance of effective risk management as part of the everyday work of employees and members.
8. Ensuring accountabilities, roles and responsibilities for managing risk are clearly defined, communicated and understood by establishing clear processes, responsibilities and reporting lines for risk.
9. Anticipating and responding to changes in the external environment including changing political, economic, social, technological, environmental and legislative requirements.
10. Horizon scanning and considering emerging risks which should be on the radar (but where impacts are not fully known for such risks).
11. Demonstrating the following benefits of effective risk management: -
 - Cohesive leadership and effective management controls;
 - Improved resource management – people, time, and assets;
 - Improved efficiency and effectiveness in service and project delivery;
 - Minimising the impact following an incident, damage limitation and cost containment;
 - Better protection of employees, residents and others from harm;
 - Reduction in incidents, accidents and losses leading to lower insurance premiums and improved reputation for the Council.
12. Recognise that it is not possible or expected to eliminate risk entirely and so have a comprehensive business continuity and insurance programme that protects the Council from significant financial loss, reputational damage or even litigation, therefore minimising the impact from an event.

Alison Greenhill
Chief Operating Officer

Sir Peter Soulsby
City Mayor

Risk Management Strategy

INTRODUCTION

1. This **Risk Management Strategy** provides a structured and coherent approach to identifying, assessing and managing risk. It builds in a process for regularly updating and reviewing risk assessments based on new developments or actions taken and allows communication and reporting of risks that may adversely impact the achievement of the Council's aims and objectives.
2. This strategy builds on, and replaces, the 2025 Risk Management Strategy. Through the continued development and implementation of the strategy, the maturity of the Council's risk management will be reflected in a more enabled and proactive culture of embracing innovative opportunities and managing risks. This strategy helps to embed a coherent risk management system throughout the organisation and ensures officers / staff understand their roles and responsibilities within the process and by following the process, allowing a more consistent risk management approach for LCC.

AIMS AND OBJECTIVES

3. The aims and objectives of Leicester City Council's (LCC's) Risk Management Strategy are:-
 - To assist LCC in setting strategy, achieving objectives and making informed decisions;
 - To provide the Executive, Members and senior officers with regular risk management reports that give a comprehensive picture of the Council's risk profile and risk ranking exposure;
 - To provide and assist the Council and its partners to adopt a 'fit for purpose' methodology towards identification, evaluation, control and communication of risks and to help ensure those risks are reduced to an acceptable level where possible – the 'risk appetite';
 - To ensure that transparent and robust systems are in place to track and report upon existing and emerging risks which potentially could have a detrimental impact on the Council or influence decision making and affect the achievement of objectives;
 - To help further integrate risk management into the culture and day to day working of the Council and ensure a cross divisional/operational approach is applied;
 - To provide reliable information on which to base the annual strategic and operational risk and governance assurance statements;
 - To consider the limitations of available information in the process of identifying and assessing risk;
 - To encourage well measured risk taking where it leads to improving performance and sustainable improvements in service delivery;
 - To ensure a consistent approach in the identification, assessment and management of risk ('the risk management cycle') throughout the organisation; and
 - To acknowledge that even with good risk management and our best endeavours, things can go wrong and that we learn from this to prevent it happening again. Risk Management is continually improved through learning and experience.
4. Given the diversity of services offered by the Council, there are a wide range of potential risks that could arise. Therefore, it is essential that responsibility for identifying and taking action to address those risks is assigned and clear. Commitment and involvement of staff at every level is essential to effectively carry out enterprise risk management. Although different staff/managers will have specific duties to assist in this process, it is important that they are aware of and

understand their role. Consider views and comments from other divisional areas/teams who may have had experience of managing similar projects.

ASSURANCE AND REPORTING STRUCTURE OF RISKS AT LCC

5. As part of the risk management and assurance process, our aim is to create a 'no surprises' approach where the commitment and appetite around risks management is set from the top down.
6. All staff and associated stakeholders have responsibility for managing risk, some more than others. Please see **Appendix 1** for full roles and responsibilities.



Within this structure, each party has the following key roles:

- The **Governance and Audit Committee (G&AC)** is responsible for noting the effectiveness of the Council's risk management arrangements, challenging risk information and escalating issues to CMT and Executive via the Director of Corporate Services or the Risk Manager;
- **City Mayor and Executive** has a leadership and oversight role particularly in challenging CMT and senior managers in relation to the risks identified, mitigating actions and holding them to account to implement effective risk management. The City Mayor and Executive are also responsible for approving risk policies and strategy and receiving regular risk management reports to review;
- **The Corporate Management Team (CMT)** has the risk oversight role and ultimate management accountability. CMT must ensure the risk related control environment is effective; is responsible for approving and reviewing risk policies and strategies; setting the level of risk the Council is prepared to accept – it's '**risk appetite**'; receiving 4-monthly risk update reports to review and for approving as well as agreeing and promoting the training programme;
- **Risk, Emergency and Business Resilience (REBR)** develops and coordinates implementation of the Risk Management Strategy and provides a facilitators role, supporting and guiding service areas on how to complete operational risk assessments, whom they should refer to and deliver corporate risk management and business continuity training. REBR also coordinate, populate and maintain the Council's strategic and operational risk registers, producing 4-monthly risk reports comprising of these risk registers to submit to CMT, City Mayor and Executive (SRR only) and the G&AC (bi-annually);

- **Departments and services** are the ‘**risk-takers**’ and are responsible for identifying, assessing, measuring, identifying risk actionee, monitoring, communicating risk as well as reporting on significant risks associated with their functions or activities and for managing risks within their departments;
- As part of the Council’s **combined model, management, third parties (e.g insurers) and Internal Audit** give assurance on the management of risks and the operation/performance of controls.

See **Appendix 1** for further Roles and Responsibilities.

RISK DEFINITION AND APPETITE

7. At LCC, we adopt the definition of risk taken from the **International Risk Management Standard ‘ISO31000 – Risk Management Principles and Guidelines standard and BS65000 – Guidance on Organisational Resilience’**:

“Risk is the effect of uncertainty on objectives” and an effect could be a positive or negative deviation from what is expected. **ISO 31000** recognises that we operate in an uncertain world.

8. By identifying potential problems with an in-depth risk assessment, the Council can implement controls and treatments that maximise the chance of gain while minimising the chance of loss. It is assumed by many staff, during risk discussions, that all risks must be eliminated. This is not the case. Risk is a part of everyday life and taking risks and acting on opportunities may be a route to success, if managed properly, where the risk appetite is crucial to this process. **Risk Appetite** is defined as ‘**the amount and type of risk that the organisation is willing to pursue, retain or take (ISO73 – ISO2002)**’. **Appendix 2** demonstrates the Council’s risk appetite. **The Council is prepared to tolerate risks that fall below the risk appetite line (the prominent black line)**. For risks that are scored above the line, the relevant Council officers should consider their occurrence (repetitiveness) and impact, and design controls for implementation to minimise the chance of the risk materialising. This should be monitored periodically. An example of this would be total loss of a building by fire. This is a typical ‘high impact’ but ‘low likelihood’ risk that cannot realistically be managed day to day, beyond normal management responsibilities, but if it occurs, would be dealt with by the invocation of an effective Incident Response Plan and appropriate insurance cover which are both significant mitigants for that risk.
9. Risk appetite needs to be considered at all levels of the organisation – from strategic decision-makers to operational deliverers. The Council’s risk appetite is the amount of risk that it is prepared to take in order to achieve its objectives. Defining the Council’s risk appetite provides the strategic guidance necessary for decision-making and is determined by individual circumstances. In general terms, the Council’s approach to providing services is to be innovative and to seek continuous improvement within a framework of robust corporate governance. This framework includes a risk management process that identifies and assesses risks appertaining to decisions being considered or proposed.
10. As such, risk appetite should be considered for every proposal and risk, rather than an overarching concept for the entire Council. There will be areas where a higher level of risk will be taken in supporting innovation in service delivery. Certain areas will maintain a lower than cautious appetite - for example, in matters of compliance with law and public confidence in the Council or safeguarding adults and children. Risk appetite can therefore be varied for specific risks, provided this is approved by appropriate officers and/or members. However, in all circumstances:
 - The Council should manage its financial affairs such that no action will be taken which would jeopardise its ability to continue as a going concern; and
 - The Council is to secure the legal integrity of its actions always.

Despite this, at times the Council may be forced to take risks beyond its appetite to comply with central government directives or to satisfy public expectations of improved services. The

challenge process will determine the decisions made - whether to proceed with such proposals and after careful assessment of the identified risks, and an analysis of the risks compared to the benefits – i.e. cost benefit analysis. A cost benefit analysis also helps decide the appropriate level of commitment to risk management resources. It is important to keep in mind that not all cost benefit is confined to financial measurement and the cost of not taking action should also be considered, for example, the reputational damage from not progressing on an initiative/project/service delivery proposal.

11. LCC's approach to risk is to be **risk aware** rather than **risk averse**, to manage and mitigate the identified risk. As set out in its Risk Management Policy Statement, it is acknowledged that risk is a feature of all business activity and is a particular attribute of the more creative of its strategic developments. Directors and members are not opposed to risk. They are committed to taking risks with full awareness of the potential implications and in the knowledge that a robust plan is to be implemented to manage/mitigate them. The Council's risk management process allows this **'positive risk taking'** to be evidenced.
12. **'Positive risk-taking'** is a process of weighing up the potential benefits and impacts of exercising a choice of action over another course of action. This entails identifying the potential risks and developing plans and controls that reflect the positive potentials and stated priorities of the Council. It then involves using available resources, capabilities and support to achieve desired outcomes, and to **minimise any potential 'harmful' impacts**. It is certainly not negligent ignorance of potential risks but, usually, a carefully thought-out strategy for managing a specific risk or set of circumstances.
13. The risk management process ensures that key strategic and operational risks are controlled, minimising the likelihood of an occurrence and its impact should the risk occur and allows to consider further treatment options (**see paragraph 14**) and risk communications to take place. It is recognised that there are costs involved in being too risk-averse and avoiding risk, both in terms of bureaucracy and opportunity costs.
14. The Council seeks to identify, assess and respond to all strategic risks that may affect the achievement of key business objectives and plan outcomes. Once a risk has been identified and rated, the Council will adopt a risk response plan based on the nature of the risk. The Council's risk responses include treat, tolerate, terminate or transfer – **refer to paragraph 26** for the detail. Integrating risk transfer strategies requires decisions at the highest levels as the risk appetite will determine the extent to which it is prepared to retain the risk, as opposed to sharing risk by outsourcing or insurance. ISO31000 states the selection of risk treatment options involves balancing the potential benefits of introducing further risk treatment (controls) against the associated costs, effort or disadvantages. The treatment plan should identify the timescale and responsibilities for implementing the selected risk treatments.
15. Having an effective enterprise risk management framework does not mean that mistakes and losses will not occur. Effective risk management means that risks are highlighted, allowing appropriate action to be taken to minimise the risk of potential loss. The principle is simple, but this relies upon several individuals acting in unity, applying the same methodology to reach a sound conclusion and understand that risk management is a cross-service planning activity. However, it is recognised that risk management and the analysis is based on judgement and is not infallible or an exact science, and for a more accurate analysis, the appropriate people should be involved, who should consider and understand ALL the available information at the time relevant to that activity, but be aware there may be limitations on that information. Incidents may still happen, but the Council will be in a better position to recover from these incidents with effective risk controls/business continuity management processes in place. LCC is a "learning organisation" and the Council will seek to learn from adverse risk events. An insurance programme is also in place to cover insurable risks. See below for further information (**paragraph 16 and 17**).

RISK FINANCING

16. Risk Financing is the process which determines the optimal balance between retaining and transferring risk within an organisation. It also addresses the financial management of retained risk and may best be defined as money consumed in losses, funded either from internal resources

or from the purchase of 'external' insurance (such as the catastrophe cover provided by the Council's external insurers). Simply put, it is how an organisation will pay for loss events in the most effective and least costly way possible. Risk financing involves the identification of risks, determining how to finance the risk, and monitoring the effectiveness of the financing technique chosen. Commercial insurance policies and self-insurance are options for risk transfer schemes though the effectiveness of each depends on the size of the organisation, the organisation's financial situation, the risks that the organisation faces, and the organisation's overall objectives. Risk financing seeks to choose the option that is the least costly, but that also ensures that the organisation has the financial resources available to continue its objectives after a loss event occurs. The Council's Insurance Services team currently takes cover with external insurers for the following categories of insurable risk:

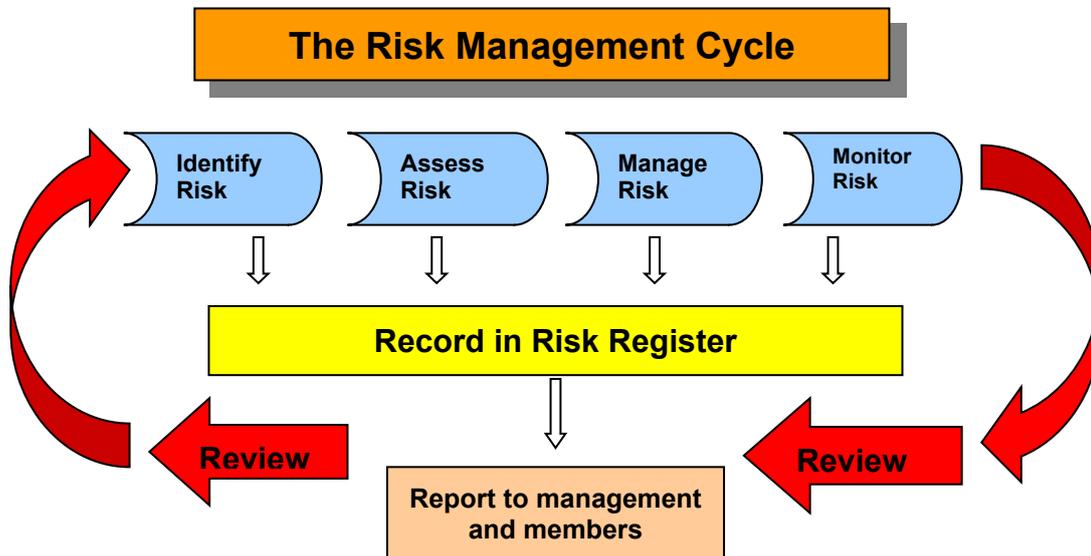
- Casualty (Employers Liability and Public Liability)
 - Property inc. Terrorism
 - Motor
 - Fidelity Guarantee
 - Engineering including Inspection
 - Professional & Officials Indemnity
 - Personal Accident & Travel
 - Fine Art
 - Marine
17. LCC's strategy for risk financing is to maintain an insurance fund and only externally insure for statutory and catastrophe cover. The Council's strategy is to review the balance between external/internal cover on an annual basis in the light of market conditions and claims experience. This balance will be influenced by the effectiveness of the risk management process embedded at the Council.

RISK MANAGEMENT PROCESS

18. The Council's strategic and individual divisional operational objectives are the starting point for the management of risk. Managers should not think about risk in isolation but consider events that might affect the Council's achievement of its objectives. **Strategic risks** are linked to strategic objectives and operational risks linked to divisional service delivery objectives, therefore, risks that could result from day-to-day activities need, as a minimum, to be identified and monitored. This is best done by the effective implementation of the risk management process with the use of risk assessments/risk registers (**Appendix 3a for the reporting of service, divisional and strategic risks via a risk register – see paragraph 34 for detail**) which must be maintained and updated on a continuous basis and reviewed formally, every 4 months as per the reporting cycle at divisional and strategic level. However, at management level and below this will be more frequent. **An action plan should be in place to address the controls raised in the risk register/assessment. A formal action plan is compulsory for each strategic risk (See Appendix 4 for risk control action plan template).**
19. Risk management is to be driven top down, bottom up and across, to ensure risks are appropriately considered. To achieve this, managers should encourage participation with their staff/peers in the process, through regular discussions/reviews. **The risk management process seeks to work with and support the business and not add a layer of bureaucracy or create masses of paperwork.**
20. The process below should be implemented by managers and staff at all levels to identify, assess, control, monitor and report risks. Risk management is intended to help managers and staff achieve their aims and objectives effectively and efficiently. It is not the intention to hinder or restrict them in delivering the objective in question nor becoming risk averse. The process

ensures that a consistent risk management methodology is in place and implemented across all the diverse activities of the Council.

21. There are five key steps in the risk management process. These stages are covered in greater detail in the **Risk Management Toolkit** – a step-by-step guide to risk management at LCC - which is available to all members, managers and staff via the REBR pages on SharePoint.



Please use Appendix 3 (risk assessment/register template to risk assess projects, activities and initiatives. Appendix 3a should be used for reporting of risks to divisional, operational and strategic level as the output from this will result in a risk register (see risk reporting - paragraph 32, 33 and 34). The risk toolkit will guide you through this.

22. The risk management process is explained in detail in the ‘**Identifying and Assessing Operational Risk**’ training course, which is now mandatory for staff completing a risk assessment (see **Appendix 5** for the 2026 training schedule) and allows staff to: -

- **Identify risk**, and controls – officers identify risks and consequences through brainstorming discussions as a group, or discussion with their staff, interviews, seek employee feedback, analyse customer complaints, internal/external audit reports, checklists, flowcharts, risk registers, risk assessment workshop write ups, scenario analysis and SWOT (strengths, weaknesses, opportunities and threats)/PESTLE analysis. Controls should be considered and evidenced to manage each risk for the write up of the risk assessment;
- **Assess/Analyse/Evaluate** - management assess the likelihood of risks occurring and the impact on the council/their service objectives using the Council’s approved risk assessment form and the 5x5 scoring methodology. Once the risks are scored, this will determine whether the risks are high, medium or low which will help in the prioritisation of risks for urgent attention (see **Appendix 2**);
- **Manage** - management determine the best way to manage their risks e.g. terminate, treat, transfer, tolerate or take the opportunity (see **paragraph 26 below**);
- **Record risks** – using corporate risk assessment template to record risks (see **Appendix 3**); Use **Appendix 3** if you are risk assessing for a project/activity/initiative or **Appendix 3A** for reporting risks via the risk register tool;
- **Monitor** – management should monitor their risks and the effectiveness of their identified management controls; are controls implemented and is there a requirement for further controls;

- **Review** - management ensure identified risks are regularly reviewed and if controls have been implemented, whether further controls are necessary or required. This will normally be managed by means of a risk register (see paragraphs 30 - 40 below for more detail);
- **Risk Reporting, communication and consultation:** Communication and consultation with external and internal stakeholders should take place during all stages of the risk management process using the risk register/assessment as a reporting tool.

REBR are available to support this process either by attending or facilitating risk ‘workshops’ or delivering risk identification and mitigation training to managers and their business teams.

IDENTIFYING THE RISKS

23. In order to identify risks, we need to focus on the aims and objectives of the Council and of any project and activity that contributes to those. Risk is simply defined as **‘the effect of uncertainty on objectives’** – ISO31000 Risk Management Standard. As mentioned in paragraph 22, the training session covers in detail how to identify risks. Please refer to **Appendix 3** for the risk assessment template to log risks and its evaluation. **Appendix 6/7** indicates the different PESTLE categories of risk and **Appendix 6A** are further prompts which staff can utilise to identify risks that are internal/external facing. However, it is not an exhaustive list and officers are reminded that risks may not be present in all categories when they are completing their risk assessment. Other means of identifying risks include previously completed risk assessments, brainstorming exercises involving the relevant stakeholders, complaints received, claims, incident and accident reports. This is discussed in more detail in the training sessions. Also, staff may need to consider carrying out a dynamic risk assessment as and when required, for e.g. in the case of inclement weather, the original risk assessment may not have considered how to operate on a wet day as it was not anticipated.

Controls need to be considered and evidenced in the risk assessment/template before the next step (as stated in paragraph 21, LCC assess risks with controls in place)

ASSESS / ANALYSE AND EVALUATE RISKS

24. The primary function of “scoring” risks is to facilitate their prioritisation and assessment against risk appetite. This step involves determining the likelihood of the risk occurring and its impact should it occur. Please see **Appendix 2** for further detail of the scoring mechanism and the definitions utilised at LCC to calculate the level of the risk: - **Impact x Likelihood = Risk score.**
25. This helps to prioritise the risks (risk ranking) which require urgent action using a red, amber, green scoring mechanism (RAG status). The table below indicates how risks that are high, medium and low should be managed.

N.B However, with some of the risks that are high on LCCs Strategic and Operational Risk Registers, immediate management action may not be feasible as such risks may be ‘long term’ and some external factors will be out of the organisations control.

LEVEL OF RISK	OVERALL RATING	HOW THE RISK SHOULD BE TACKLED/ MANAGED
High Risk	15-25	IMMEDIATE MANAGEMENT ACTION
Medium Risk	9-12	Plan for CHANGE
Low Risk	1-8	Continue to MANAGE

MANAGE THE RISKS

26. Once risks and controls have been identified and assessed by management with controls in place (**a risk rating score has been derived**), managers should then determine how those risks will be dealt with – a process commonly known as the four T's. The risk rating score will also enable risks to be prioritised and influence the use of one or more of the four T's –

- Terminate
- Treat
- Tolerate
- Transfer

Please see below charts for possible actions after assessing and analysis of risks:

4 T's

Impact	High	Transfer Transfer risk to another party, outsource, insurance	Terminate Stop the activity or do it differently using alternative systems
	Low	Tolerate Bear losses out of normal operating costs following an informed decision to retain risk, monitor situation	Treat Implement procedures and controls to reduce the frequency or the severity; formulate a contingency plan to reduce service interruption
		Low	High
			Likelihood

Likelihood	Impact	4 T's	Actions to take
High	High	Terminate	Requires immediate action/avoid or consider alternative ways
High	Low	Treat	Consider steps to take to manage risks – reduce the likelihood and/or better manage the consequence
Low	High	Transfer	Contingency plan/Insurance cover to bear financial losses/transfer risk to third party/outsource
Low	Low	Tolerate	Informed decision to retain risk. Keep under review. Monitor and bear losses from normal operating costs as the cost of instituting a risk reduction or mitigation activity is not cost effective or the impact of the risks are so low so deemed acceptable

At times the council may be expected to take risks beyond its appetite as mentioned in **paragraph 10**.

27. Taking the opportunity is an enhancement to this process. This option is not an alternative to the above; rather it is an option which should be considered whenever tolerating, transferring or treating a risk. **There are two considerations here:**
- Consider whether at the same time as mitigating a threat, an opportunity arises to exploit positive impact. For example, if a large sum of capital funding is to be put at risk in a major project, are the relevant controls good enough to justify increasing the sum at stake to gain even greater advantage?
 - Consider also, whether circumstances arise which, whilst not generating threats, offer positive opportunities. For example, a drop in the cost of goods or services frees up resource which may be able to be redeployed for projects that enhance the economy of Leicester.
28. **Secondary Risk** - It's important to note that it's common for efforts to reduce risk to have risks of their own. These are known as secondary risks. For example, if a project is outsourced/subcontracted a number of secondary risks will be assumed such as the risk that the outsourcing company/subcontractor will fail to deliver.

RISK TREATMENT AND DECISION MAKING

29. Risk controls and treatment options (4 T's – paragraph 26) should be identified by those who are directly involved in the management of the activity or by experts who have detailed knowledge of the underlying risks and who have actively engaged in the risk identification and evaluation process. Risk control options should be evaluated, as the wrong choice can be difficult to unwind.

MONITORING AND REVIEWING THE RISKS

30. After evaluating the measures already in place to mitigate and control the risk(s), there may still be some remaining exposure to risk (residual risk). It is important to stress that such exposure is not necessarily detrimental to the Council and ensures that the Council is aware of its key business risks; what controls are in place to manage (mitigate) these risks; and what the potential impact of any residual risk exposure is. This step in the risk process never really ends as monitoring and review of your risk assessment to ensure it stays valid is an ongoing process. The aim of risk management/assessment is to implement measures to reduce the risks to an acceptable level. Monitoring and review of circumstances must occur to see whether the measures implemented have reduced risks effectively and whether more should be done. To summarise;
- Are the controls being implemented?
 - Are they effective?
 - Is the business requirement being met?
 - Has the risk changed?
 - Do further controls need to be considered?
 - Therefore, re-scoring of the risk, and do new risks need to be incorporated or any existing ones deleted?
31. It is important that those risks that have been identified as requiring action are subject to periodic review, to assess whether the risk of an event or occurrence remains acceptable and if further controls are needed. Any further action(s) should be determined, noted and implemented. The frequency of reviews should be decided by management, depending on the type and value of the risks identified (**see also paragraph 32 below**). Currently, at LCC, the significant strategic and operational risks are reviewed and reported on a 4 monthly basis to CMT and bi-annually to the G&AC, with strategic risks reported 4 monthly to the City Mayor and Executive, facilitated by the Manager, Risk Management. Below, is a table indicating a **suggested review** of risks dependent on the risk rating whether, high, medium or low.

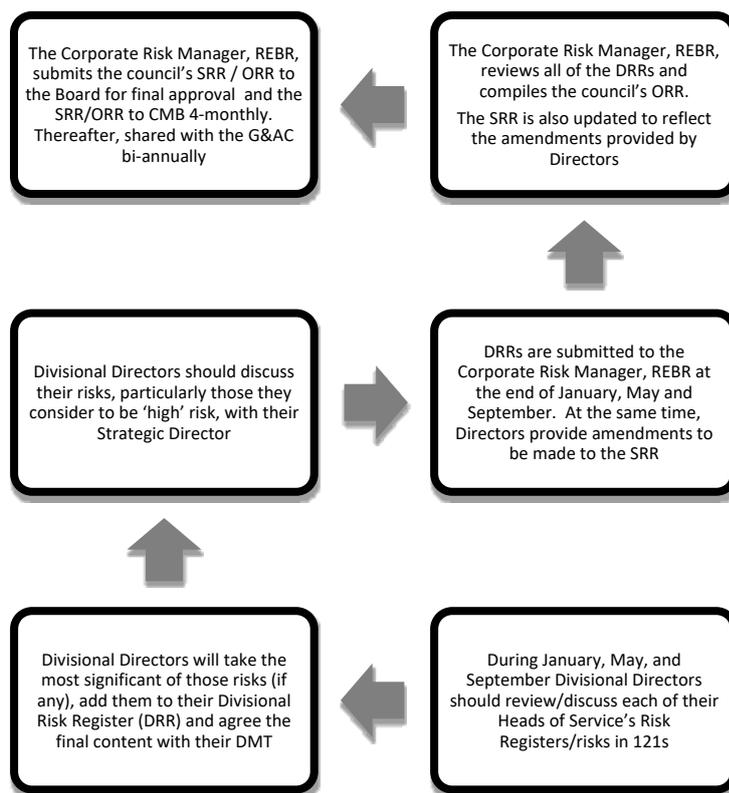
Risk Rating	Risk Review Frequency
Red risks	1 – 3 months
Amber risks	3 months
Green risks	6 months

Recommended risk review frequencies as per risk rating:

RISK REPORTING

32. Significant operational risks (scoring 15 and above) should continue to be logged and monitored via the Operational Risk Register (ORR). It is the responsibility of each divisional director to ensure that operational risks are recorded and monitored via a risk register. These registers and the risks identified are aligned to the Council's operating structure. REBR has produced a pro-forma risk assessment/register that **must** be used by all business areas (see **Appendix 3/3A**). Every divisional director is required to use the newly updated Risk Register, highlighting which strategic risk the identified divisional risk has an impact on and the PESTLE category it falls under where possible.
33. The most significant risks (those scored 15 and above) identified by the divisional directors feed into the council's ORR which is managed by CMT and facilitated by the Corporate Risk Manager, REBR. CMT is accountable for ensuring that all operational risks are identified against service delivery objectives; that plans are implemented to control these exposures; key risks are included within the individual service plan and that monitoring and communication of risks takes place.
34. **Reporting of Divisional, Operational and Strategic Risks (use Appendix 3a to log risks)**- The Chief Operating Officer supported by CMT manages and monitors the Strategic Risk Register (SRR) for those risks that may affect the achievement of the council's strategic objectives, with REBR facilitating. Individual risk owners for the SRR will be Strategic Directors and/or those with statutory roles such as the Monitoring Officer and Section 151 officer (specific actions relating to the risk are likely to be owned and delivered by other Directors and Senior Officers). This ensures there is robust strategic ownership and oversight of the most significant risks facing the organisation. The intention is to use the **PESTLE** analysis as a framework for considering the wider context and environment and the risks that this gives rise to. PESTLE is a mnemonic that stands for '**Political, Economic, Social, Technological, Legal and Environmental**' and these themes are built into the approach of when reviewing strategic risks (**Appendix 7** provides a definition of PESTLE). Risk control action plans (**Appendix 4**) are also required for such risks and to be implemented to manage these exposures. The most significant of these risks, those that may threaten the Council's overall strategic aims, form this register which is reviewed and updated by directors every four months. As part of the overall process of escalation, each strategic director should also have risk on their 121 agenda with their divisional directors at least quarterly and with lead Executive members. Each director should be discussing their divisional risks with their lead member. One of the significant strategic risks is a serious failing of the management of operational risks by divisional directors.
35. REBR facilitates and supports this process and will continue to maintain the SRR/ORR, using the input from each Divisional Risk Register and the updates provided by the strategic director for the SRR. The SRR/ORR will be reported 4-monthly to CMT, and bi-annually to the G&AC. In addition, the SRR/ORR report will be reported to the City Mayor / Executive 4-monthly. As part of this process, bespoke training needs may be identified and the REBR team will provide training and support upon request.

36. The process for reviewing and reporting operational and strategic risks at LCC is set out as below:



Key:

- DRR** – Divisional Risk Registers – compiled using most significant operational risks from Heads of Service risk registers.
- ORR** – Operational Risk Registers – produced by REBR using the significant risks from the DRRs submitted by Divisional Directors.
- SRR** – Strategic Risk Registers – compiled by REBR using significant risks submitted by Directors and are those risks that may affect achievement of the council's strategic aims.

- 37. All risks identified, both operational and strategic, will need to be tracked and monitored by regular reviews of the risk registers at 121's with management. This will ensure that any changes in risks requiring action are identified; there is an effective audit trail; and the necessary information for ongoing monitoring and reporting exists.
- 38. Those officers completing risk assessments / registers should use this document as a reporting tool to their line manager in order to aid decision making. The frequency of this reporting should be as and when changes are made to the risk assessment / register, particularly where they are significant. However, this is not to become a bureaucratic process and to put it into perspective, the DRR's are revised for 4-monthly reporting to CMT and Executive.
- 39. **Document Retention** - It is recommended to save a new copy of the updated risk register rather than overwriting the existing one so that an audit trail of reviews can be evidenced.
- 40. To improve the process of risk management, it is worth Divisional Directors noting any emerging risks on the Divisional Register on a separate worksheet. These emerging risks may not be a risk currently but may be so in the future. This is good risk management practice.

PARTNERSHIP RISK

41. It is recognised that partnership working is a key area where associated risk needs to be identified and controlled. Best practice states that local authorities must meet two key responsibilities for each partnership they have. They must: -
- Provide assurance that the risks associated with working in partnership with another organisation have been identified and prioritised and are appropriately managed (partnership risks);
 - Ensure that the individual partnership members have effective risk management procedures in place (individual partner risks).

RISK MANAGEMENT TRAINING

42. An annual programme of training (covering risk and business continuity planning) is available to all staff, managers and members. However, directors and managers should identify staff who require this training through the staff appraisal process (existing staff), through the jobs specification process (new staff) and appropriate training will be provided by REBR. CMT have made the 'Identifying and Assessing Operational Risk' training mandatory for staff who have to carry out a risk assessment (See **Appendix 5** for the 2026 training schedule).

INSURANCE LIMITS AND PROCURING OF SERVICES / GOODS (RISK TRANSFER)

43. Guidance is available on SharePoint on what to consider when determining insurance levels if procuring for services by a contractor or third party. The insurance limits requested are based on the risks the activity will impose and the impacts (risk based rather than blanket limits). The consequences, impact and cost of risk columns of the risk assessment template will help to determine the insurance levels required. The insurances requested are usually Public Liability, Employers Liability and Professional Indemnity (though the latter is not always a pre-requisite).

REVIEW OF RISK MANAGEMENT POLICY AND STRATEGY

44. This Risk Management Policy Statement and Strategy is intended to assist in the development/integration of risk management from now until December 2026 when the next review is due.
45. All such documents and processes will remain subject to periodic review and with the next planned review to occur in Quarter 4 2026, this allows any changes in process to be aligned to the council's financial year end.

RISK MANAGEMENT AT LEICESTER CITY COUNCIL

46. A robust risk management process should be applied to all our activities during the next 12 months and beyond. To achieve this, priority exposures should be identified, addressed, and incorporated into appropriate risk management strategies and risk improvements into organisation's service delivery. A robust risk process will allow identification of emerging risks and horizon scanning. This should be in line with the Council's priorities. This helps to determine how risks affect such priorities, whether to consider changes in Council operations and to enable us to make well-informed decisions. Risk must be considered as an integral part of divisional planning, performance management, financial planning and strategic policy-making processes. The cultural perception of risk management must continue changing from a 'have-to-do' to a 'need-to-do'. However, this does not need to become a bureaucratic and paper intensive exercise and judgment by the appropriate person should be exercised.
47. The Corporate Risk Manager, REBR, will continue to maintain a central copy of the SRR/ORR as well as the DRR's. Internal Audit will continue to utilise these registers to assist them in

developing the audit plan and producing a programme of audits, which will test how well risk is managed within specific areas of the business – subject to resource being available. The Council's Risk Strategy and Policy will help directors to report appropriately upon their risk and their risk registers, together with other information gathered by Internal Audit through consultations, will be used to formulate the audit work programme which, in turn, allows assurance to be given to both the CMT (officers) and the Governance and Audit Committee (members) that risk is being properly identified and managed at LCC.

48. Consideration should be given as to whether the management of risk should be included in job descriptions for all operational service area managers with responsibility and accountability for risks and be included in every director/manager's objectives and performance appraisal discussion.
49. Directors and managers should also ensure that all stakeholders (employees, volunteers, contractors and partners) are aware of their responsibilities for risk management and of the lines of escalation for risk related issues. Operational performance linked to risks helps to achieve objectives more effectively and efficiently.

CONCLUSION

50. A certain amount of risk is inevitable to achieve objectives, improve performance and take opportunities, hence the existence of this Policy and Strategy to help the organisation manage those risks and deliver high quality public services and better value for money. The aim of risk management is to 'embrace risk' and acknowledge opportunities can arise from taking risks and not to miss those opportunities.

Appendix 1 - LEADERSHIP, ROLES AND RESPONSIBILITIES

All Councillors	<ul style="list-style-type: none"> To consider and challenge risk management implications as part of their decision-making and scrutiny processes.
City Mayor/ Executive	<ul style="list-style-type: none"> Approve the Council's Risk Management Strategy and Policy Statement annually. Consider risk management implications when making decisions and determine the risk appetite for the Council. Agree the Council's actions in managing its significant risks. Receive regular reports on risk management activities and a four-monthly review of the strategic risk register. Approve an annual statement on the effectiveness of the Council's risk controls as part of the statement of accounts. Consider the effectiveness of the implementation of the risk management strategy and policy.
Governance and Audit Committee	<ul style="list-style-type: none"> Receive and note the Council's Risk Management Strategy and Policy Statement annually. Receive and note the Strategic and Operational Risk Registers update reports. Challenge risk information and escalate issues for consideration
Strategic Directors	<ul style="list-style-type: none"> Responsibility for leading and managing the identification of significant strategic risks. Ensure that there is a robust framework in place to identify, monitor and manage the council's strategic risks and opportunities. Ensuring that the measures to mitigate these risks are identified, managed and completed within agreed, timescales, ensuring that they bring about a successful outcome. Lead in promoting a risk management culture within the Council and with partners and stakeholders. Approve and maintain the requirements for all CMT reports, business cases and major projects to include a risk assessment (where appropriate). Ensure risk is considered as an integral part of service planning; performance management; financial planning; and, the strategic policy-making process. Consider risk management implications when making strategic decisions. Management and four monthly review of the strategic risk register. Review and progress actions and capture emerging risks. Recommend the level of risk appetite for all strategic risks to Executive. Note, through four monthly review, the operational risk register. Ensure that the measures to mitigate these operational risks are identified, managed and completed within agreed timescales, ensuring that they bring about a successful outcome. Ensure that appropriate advice and training is available for all councillors and staff. Ensure that resources needed to deliver effective risk management are in place.
Corporate Management Team (CMT)	<ul style="list-style-type: none"> Responsibility for leading and managing the identification of significant operational risks from all operational areas. Ensuring that the measures to mitigate these risks are identified, managed and completed within agreed timescales, ensuring that they bring about a successful outcome. Lead in promoting a risk management culture within the Council and within their departments. Approve and endorse the Risk Management Strategy and Policy Approve regular Risk Registers Report and the understand status.

	<ul style="list-style-type: none"> • To respond appropriately and in a timely manner to exceptions in reports to ensure accountability and risk management processes aren't compromised.
Divisional Directors	<ul style="list-style-type: none"> • Submit Divisional Operational Risk Register (DORR) showing significant Divisional operational risks to Risk Management for consideration of inclusion in the Council's Operational Risk Register. • Escalating risks/issues to the relevant Strategic Directors, where appropriate. • Report Divisional Risks to LMB. • Ensure there is a clear process for risks being managed by their Heads of Service (and where appropriate, their managers and/or supervisors) to be reviewed, at least quarterly, allowing their DORR to be seen as complete. • Embeddedness of risk management within the service areas they are responsible for and promoting a risk management culture. • Ensure compliance with corporate risk management standards. • Ensure that all stakeholders (employees, volunteers, contractors and partners) are made aware of their responsibilities for risk management and are aware of the lines of escalation of risk related issues. • Identify and nominate appropriate staff for risk management training.
Corporate Risk Manager, REBR	<ul style="list-style-type: none"> • To develop and coordinate the implementation of the Risk Management and Business Continuity Policy and Strategy. • Provide facilitation, training and support to promote an embedded, proactive risk management culture throughout the Council. • Assist the Strategic and Divisional directors in identifying, mitigating and controlling the council's risks. • Coordinate, populate and maintain the strategic and operational risk registers of the council's most significant risks which are submitted to CMT/CMB four monthly and Governance and Audit Committee 6 monthly. • Review risks identified in reports to Strategic Directors and the Executive. • Ensure that risk management records and procedures are properly maintained, decisions are recorded, and an audit trail exists. • Ensure an annual programme of risk management training and awareness is established and maintained to promote good risk management. • To horizon scan and assess emerging risks and key risks facing the Council. • Advise management of key risk issues • Review External and Internal Audit recommendations to ensure these are picked up and dealt with by the business.
Internal Audit	<ul style="list-style-type: none"> • Have knowledge of Risk Management Policy and Strategy. • Focus internal audit work on significant risks – risk-based auditing. • Provide the Risk team / Divisions / Departments with updates on risks identified from audits where necessary.
All Employees	<ul style="list-style-type: none"> • To have an understanding of risk and their role in managing risks in their daily activities, including the identification and reporting of risks and opportunities. • Support and undertake risk management activities as required. • Attend relevant training courses focussing on risk and risk management.
Stakeholders	<ul style="list-style-type: none"> • Directors and managers should also ensure that all stakeholders (employees, volunteers, contractors and partners) are made aware of their responsibilities for risk management and are aware of the lines of escalation for risk related issues. Risk management is most successful when it is explicitly linked to operational performance.

Appendix 2 – RISK APPETITE AND RISK SCORING MATRIX

Key to Table:

The numbers in the boxes indicate the overall **risk score**, simply put:

‘Impact score’ x (multiplied) by the ‘Likelihood score’.

The score is then colour coded to reflect a ‘RAG’ (red, amber or green) status. The solid black line indicates what Directors consider is the council’s **‘risk appetite’** (see paragraphs 4-12 above) where they are comfortable with risks that sit below and to the left of that line.

Risk or Likelihood	Almost certain (5)	Probable /Likely (4)	Possible (3)	Unlikely (2)	Very Unlikely /Rare (1)
Critical/Catastrophic (5)	25	20	15	10	5
Major (4)	20	16	12	8	4
Moderate (3)	15	12	9	6	3
Minor (2)	10	8	6	4	2
Insignificant/negligible (1)	5	4	3	2	1

Level of Risk	Overall Rating	How the Risk should be Managed
High Risk	15-25	IMMEDIATE MANAGEMENT ACTION
Medium Risk	9-12	Plan for CHANGE
Low Risk	1-8	Continue to MANAGE

Likelihood	Impact	Actions to take
High	High	Terminate - needs immediate action
High	Low	Treat - consider steps to take to manage risks
Low	High	Transfer - contingency plan/Insurance cover
Low	Low	Tolerate - keep under review

IMPACT GRID									
Benchmark Effects									
Impact	Score	Impact on Corporate or Service Objectives	Service Impact	Financial	Reputational	Duty of Care	People	Governance	
CRITICAL / CATASTROPHIC	5	- Strategic Objectives not met	- Inability to function effectively, council-wide	- Financial Losses in excess of £5m - Budgetary intervention at national level.	- Extensive adverse media interest resulting in front page news story in national press/social media	- Multiple deaths of employees of those in the council's care	- Could lead to resignation of Chief Operating Officer and/or City Mayor - Recruitment and retention difficulties which have resulted in the inability to deliver essential services.	- Serious breach of legal or contractual obligation resulting in National impact with rapid intervention of legislative or regulatory bodies. Service delivery taken over by Central Government. - Corporate manslaughter charges	
MAJOR	4	- Noticeable/significant impact on achieving strategic/divisional(directorate) objectives	- Major disruption to council's critical services for more than 48hrs (e.g. major ICT failure) causing widespread medium to long term impact on operational efficiency, performance and reputation.	- Financial loss £1m - £5m - Budgetary issues that can only be resolved by Section 151 Officer / Chief Executive / Members.	- Adverse coverage in national press/front page news locally and or social media.	- Suspicious death in council's care	- Could lead to resignation of Strategic Director and/ or Executive Member - Recruitment and retention difficulties which are impacting on the ability to deliver services.	- Breach of legal or contractual obligation attracting medium-term attention of legislative or regulatory bodies. - Major civil litigation and/or national public enquiry	
MODERATE	3	- Moderate impact on achieving service objectives	- Disruption to one critical council service for more than 48hrs	- Financial loss between £100k - £1m - Budgetary issues that can be resolved at Directorate level	- Adverse coverage in local press - Significant complaints, sustained media coverage.	- Serious Injury to employees or those in the council's care where hospital treatment is required	- Could lead to resignation of Divisional Director/ Project Director - Recruitment and retention difficulties which are impacting more than one occupational group / numbers are widespread across the service.	- Attracting short term media attention and potential for litigation/ prosecution from legislative or regulatory bodies. - Major civil litigation and/or local public enquiry	
MINOR	2	- Minor impact on achieving section objectives	- Manageable disruption to internal services - Noticeable internal impact, but service delivery would remain on course to achieve priorities	- Financial loss £50k- £100k - Budgetary issues that can be resolved within Management Team.	- Isolated/one off reports/complaints local media resulting in localised minor reputational damage	- Minor Injury to employees or those in the Council's care where medical treatment is required	- Disciplinary action against employee - Recruitment & retention difficulties being experienced in pockets across the service.	- Minor civil litigation with some local media attention	
INSIGNIFICANT / NEGLIGIBLE	1	- Minimal Impact/no service disruption - Objectives broadly achieved	- Day to day operational problems.	- Financial loss under £50k - Budgetary issues that can be resolved within Service.	- No interest to the media, internal only	- No obvious harm/injury. - Near miss having the potential to cause harm	- Unplanned departure of staff.	- Internal enquiry only which has little external impact and is being dealt within	

LIKELIHOOD GRID Benchmark Effects				
	Likelihood	Score	Expected Frequency Description	Probability of Occurrence
Criteria	ALMOST CERTAIN	5	Reasonable to expect that the event WILL undoubtedly happen/recur, possibly frequently and is probable in the current year. The event is expected to occur	Over 90% chance of event occurring
	PROBABLE / LIKELY	4	Event is MORE THAN LIKELY to occur. Will probably happen/recur, but it is not a persisting issue. Will possibly happen in the current year and be likely in the longer term. There is a significant chance of event occurring.	61%-89% chance of event occurring
	POSSIBLE	3	FAIR LIKELIHOOD of event occurring. Not likely in the current year, but reasonably likely in the medium/long term. Realistic chance of event occurring	21%- 60% chance of event occurring
	UNLIKELY	2	Event NOT EXPECTED . Do not expect it to happen/recur. Unlikely to happen in the current year, but possible in the longer term. Could occur in certain circumstances (unlikely chance)	6% - 20% chance of event occurring
	VERY UNLIKELY / RARE	1	EXCEPTIONAL event. This will probably never happen/recur. A barely feasible event. This will occur in rare circumstances.	5% or less chance of event occurring

Appendix 3 – RISK ASSESSMENT / REGISTER TEMPLATE

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Risk Assessment/Register												
Completed by: Date completed: xx/xx/23												
Business Objective	Risk What is the problem/hazard? <i>What is it that will prevent you from meeting your objectives?</i>	Consequence /effect: <i>what would actually happen as a result? How much of a problem would it be? To whom and why?</i>	Existing actions/controls <i>What are you doing to manage this now?</i>	Risk Score with existing measures (See Scoring Table) (I x L)			Response Strategy / Action	Further management actions/controls required. <i>What would you like to do in addition to your existing controls?</i>	Target Score with further management actions/controls required (See Scoring Table)	Cost (of Impact; of current controls; of further controls)	Risk Owner (<i>Officer responsible for managing risk and controls</i>)	Risk Review Date
				Impact	Likelihood	Risk Rating		Impact	Likelihood	Risk Rating		
What is your objective upon which the risk could have an effect? What is it you need to achieve?	What is the actual risk to your objective? This should be a statement that provides a brief, unambiguous and workable description that enables the risk to be clearly understood, analysed and controlled.	If the risk happens what will actually be the impact? What will go wrong/	What have you already got in place to either reduce the likelihood of this risk occurring, or to reduce the impact on your area/budget if it does happen? These will be factors that are exerting material influence over the risk's likelihood and impact.	Score as per the scoring guide for both impact and likelihood and multiply the two together to get the overall risk score. These scores should take into account the existing controls	Select from the 4 T's Tolerate, Treat, Transfer, Terminate	What further action do you feel necessary? Enter here regardless of whether you have the resource to makes these happen.	Score as per scoring guide for both impact and likelihood taking into account the proposed new controls. Multiply the two together to get the overall risk score.	What will it cost you/the council if this happens? Include also how much the current controls are costing you as well as the cost of future controls	Who is the owner of this risk on a day to day basis? This may not be the owner of the risk register.	When will the future controls be in place or when will the risk be reviewed?		

Appendix 3A – RISK REGISTER TEMPLATE (FOR USE WITH SRR AND RISK REPORTING)

Risk Assessment/Register																
Completed by : Date completed: xx/xx/2023																
Business Objective	Which category does the risk fall into using PESTLE? P - Political E - Economic S - Socio-cultural T - Technological L- Legal E - Environmental	Which Strategic Risk does the risk link to?	Risk What is the problem/hazard? What is it that will prevent you from meeting your objectives?	Consequence /effect: what would <u>actually happen</u> as a result? How much of a problem would it be? To whom and why?	Existing actions/controls What are you doing to manage this now?	Risk Score with existing measures (See Scoring Table)			Response Strategy / Action What action / response strategy is most appropriate for the risk identified?	Further management actions/controls required. What would you like to do in addition to your existing controls?	Target Score with further management actions/ controls required (See Scoring Table)			Cost (of Impact; of current controls; of further controls)	Risk Responder (Officer responsible for managing risk and controls)	Risk Review Date
						Impact	Likelihood	Risk Rating (xL)			Impact	Likelihood	Risk Rating (xL)			
		Risk management (sharepoint.com)														
What is it you need to achieve? Think about what your objective is/what you have to deliver.	Establish theme / category (above) risk comes under. See Process tab for PESTLE definition	Where relevant, refer to the SRR to establish which strategic risk is impacted by risk identified (above link provides access to current SRR on SharePoint). Log strategic risk ref no.	What is the actual risk to your objective? This should be a statement that provides a brief, unambiguous and workable description that enables the risk to be clearly understood, analysed and controlled.	If the risk happens, what will <u>actually be</u> the impact? What will go wrong?	What have you already got in place to either reduce the likelihood of this risk occurring, or to reduce the impact on your area/budget if it does happen? These will be factors that are exerting material influence over the risk's likelihood and impact.	Score as per the scoring guide for both impact and likelihood. Multiply the two together to get the overall risk score. These scores should <u>take into account</u> the existing controls.			Select from the 4T's Tolerate, Treat, Transfer, Terminate	What further action do you feel necessary? Enter here, regardless of whether you have the resource to make these happen.	Score, as per the scoring guide, for both impact and likelihood <u>taking into account</u> the proposed new controls. Multiply the two together to get the overall risk score.	Impact cost - what will it cost you/the Council if this happens? Controls Cost - how much are the current controls costing you and how much will the future controls cost you?	Who is owner of this risk on a <u>day to day</u> basis. This may not be the owner of the risk register nor the person who identified the risk.	When will the future controls be in place or when will this risk be reviewed		

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IDENTIFIED RISK/RISK ACTION PLAN – SRR

SECTION A – Risk description and existing controls

Risk description	
Risk theme	
Risk reference	SRR
Risk owner (name and role)	
Current risk score	
Response strategy/action	
Target risk score	
Risk review date	

Potential Impact/Likelihood

Provide a brief summary of the risk that you have identified in this section and the likely impact on the organisation's objectives if the risk occurs

Provide a brief explanation of impact of this risk and the why the likelihood is scored as it is (will help with root cause and possible controls)

Existing action/controls already in place

Describe the specific actions and controls that are already in place now to manage the risk

Current risk score with existing measures

Impact	Likelihood	Risk rating (I X L)

Response strategy: Treat

Further management action/controls:

List the further action(s) that will be taken in addition to existing controls to manage the risk. Complete the action plan in section B:

1. XX
2. XX
3. XX

Target risk score with further management actions/controls

Impact	Likelihood	Risk rating (I X L)

SECTION B – Risk action plan

Action No	Control / Action	Action owner	Target date for implementation	Resources/costs required to implement	Progress update - date action completed / pending (if so why)	Success criteria

Appendix 5

Risk, Emergency & Business Resilience Training Programme 2026

Please see below for details of the Risk, Emergency, and Business Resilience (REBR) Training Programme for 2026. You can book to attend via the ESS system, under training on the left-hand side of the landing page, enter **risk, business, or emergency** on the keywords depending on your interest and press search.

Please seek your manager's approval. Most sessions are limited to between 15 and 20 attendees, so bookings will be on a 'first come, first served' basis.

Identifying and Assessing Operational Risks Training (10am – 12.30pm)

Thursday 15th January 2026
Wednesday 11th February 2026
Tuesday 17th March 2026
Thursday 23rd April 2026
Wednesday 13th May 2026
Tuesday 9th June 2026
Wednesday 8th July 2026
Tuesday 15th September 2026
Thursday 15th October 2026
Wednesday 11th November 2026

(Training delivered by Sonal Devani and Pritesh Madlani)

These sessions take place virtually on MS Teams and start promptly at 10.00am and tend to run for no more than two and a half hours finishing at 12.30pm but can extend to 12.45pm.

This course covers the process of Operational Risk Identification and Assessment and will cover identification of mitigating controls. The session includes an outline of the council's Risk Management Policy and Strategy and the role you play in implementing the strategy and policy. Anyone who manages operational risk (manage staff; manage buildings; manage contact with service users or the general public) in their day-to-day role – all tiers of staff from Directors down – and those that let council contracts should attend. The course will lead you through the agreed risk reporting process at Leicester City Council allowing you to identify your role within that process and the practical exercise should help staff understand how to complete the council's corporate risk assessment form.

Since October 2014 this session has been essential for all staff who complete an operational risk assessment or risk register and should attend every two years.

Business Continuity Management Training (10am – 12.30pm)

Tuesday 27th January 2026
Wednesday 25th February 2026
Thursday 26th March 2026
Tuesday 19th May 2026
Wednesday 17th June 2026
Thursday 24th September 2026
Wednesday 28th October 2026
Thursday 19th November 2026

(Training delivered by Pritesh Madlani and Sonal Devani)

All sessions will occur virtually on MS Teams and start promptly at 10.00am. Sessions tend to run for no more than two and a half hours finishing at 12.30pm but can extend to 12.45pm.

This course provides an understanding of Business Continuity Management within LCC. It explains the difference between managing business continuity and merely writing your plan, therefore, will allow you

to manage unexpected incidents and get back to the delivery of your business-as-usual service in the event of an unforeseen circumstance. This session is aimed at anyone who has responsibility for a building, staff; and delivery of a service, therefore, needs to have a business continuity plan or would be part of a recovery team needed to restore an affected service after an incident. The session also outlines the council's Business Continuity Policy and Strategy and will explain how that might affect you and your work. A step-by-step guide will be provided for completing the council's BCP pro forma. This session should be attended by all Heads of Service and their senior management to ensure that, in the event of a serious, unexpected incident, they understand the processes that will help to ensure the council can continue to operate with minimal impact.

Emergency Centre Volunteer Training (10am – 1pm)

Thursday 12th February 2026

Wednesday 22nd April 2026

Thursday 18th June 2026

Wednesday 23rd September 2026

Wednesday 25th November 2026

(Training delivered by Gino Harris, Nusrat Idrus and Neil Hamilton-Brown)

All sessions will be delivered face-to-face and will start at 10.00am. Sessions tend to run for no longer than three hours, finishing at 1pm.

The half-day training session gives you an understanding of how an Emergency Centre is set up and the roles and responsibilities of staff and various organisations. **'What happens to people when there is a fire or flood in the city?'** Frequently, the council is the first port of call for those caught up in the incident. One of the essential ways the council can help during an emergency is to open an emergency centre to assist those affected, such as what happened during the recent major incident at the Hinckley Road explosion.

Personal / Bespoke Sessions

It may not be possible for all of your staff to attend these training courses to attend one of the dates above. We offer all our training to specific groups of staff at times to suit you. We can condense the sessions to whatever time you have available. We can also focus on your own service area's needs and objectives when delivering this training to a bespoke group of staff.

If you would like to discuss a bespoke session, please contact:

For Risk and Business Continuity:

Sonal Devani: (sonal.devani@leicester.gov.uk) 0116 454 1635

Pritesh Madlani (pritesh.madlani@leicester.gov.uk) 0116 454 1211

For Emergency Management:

Nusrat Idrus (nusrat.idrus@leicester.gov.uk) 0116 454 1623

Neil Hamilton-Brown (neil.hamilton-brown@leicester.gov.uk) 0116 454 1341

Gino Harris (gino.harris@leicester.gov.uk) 0116 454 4655

Sonal Devani

Corporate Risk Management and Business Continuity Manager

Risk, Emergency & Business Resilience

0116 454 1635

Appendix 6 – CATEGORIES OF RISK

Sources of risk	Risk examples
External	
Infrastructure	Functioning of transport, communications and infrastructure. Impact of storms, floods, pollution.
Political, Legislative and Regulatory	Effects of the change in Central Government policies, UK or EU legislation, local and National changes in manifestos. Exposure to regulators (auditors/inspectors). Regulations – change and compliance.
Social Factors and Public Health	Effects of changes in demographic profiles (age, race, social makeup etc.) affecting delivery of objectives. Crime statistics and trends. Numbers of children/vulnerable adults 'at risk'. Key Public Health issues.
Leadership	Reputation, authority, democratic changes, trust and branding. Intellectual capital. Culture. Board composition.
Policy and Strategy	Clarity of policies, communication. Policy Planning and monitoring and managing performance.
Technological	Capacity to deal with (ICT) changes and innovation, product reliability, developments, systems integration etc. Current or proposed technology partners.
Competition and Markets	Cost and quality affecting delivery of service or ability to deliver value for money. Competition for service users. Success or failure in securing funding.
Stakeholder related factors	Satisfaction of LCC taxpayers, Central Government, GOEM and other stakeholders. Customer/service user demand.
Environmental	Environmental impact from council, stakeholder activities (e.g. pollution – air and water, energy efficiency, recycling, emissions, contaminated land etc.). Traffic problems and congestion. Impact of activity on climate and climate change.
Operational (Internal influences)	
Finance & Budgets	Associated with accounting and reporting, internal financial delegation and control, e.g. schools finance, managing revenue and capital resources, neighbourhood renewal funding taxation and pensions. Liquidity and cashflow. Interest rates. Credit lines and availability. Accounting controls.
Human Resources, Capability and Capacity	Recruiting and retaining appropriate staff and applying and developing skills in accordance with corporate objectives, employment policies, health and safety.
Supply Chain - Contracts and Partnership	Supply Chain management. Contracts. Failure of contractors to deliver services or products to the agreed cost and specification. Procurement, contract and life cycle management, legacy. Partnership arrangements, roles and responsibilities.
Tangible Assets and Equipment	Safety and maintenance of buildings and physical assets i.e. properties; plant and equipment; ICT equipment and control. Public access.
Environmental	Pollution, noise, licensing, energy efficiency of day-to-day activities. Natural events, often weather related.
Project, Processes and Procedures	Compliance, assurance, project management, performance management, revenue and benefits systems, parking systems etc. Research and development.
Professional Judgement and Activities	Risks inherent in professional work, designing buildings, teaching vulnerable children, assessing needs (children and adults).
Safeguarding	Protection of vulnerable adults/children.
Corporate Governance Issues	
Integrity	Fraud and corruption, accountability, transparency, legality of transactions and transactions and limit of authority.
Leadership	Reputation, authority, democratic changes, trust and branding.
Information Governance & Data Security/Information for decision making	Data protection, data reliability and data processing. Control of data and information. E-government and service delivery. IT Systems.
Risk Management and Insurance	Incident reporting and investigation, risk analysis or measurement, evaluation and monitoring. Taking advantage of opportunities.

Potential areas of risk / opportunities to consider

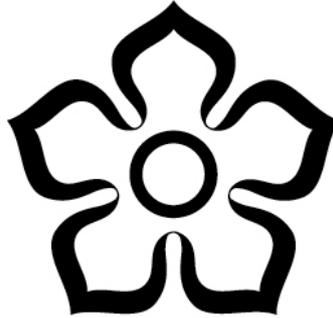


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Context – what might give rise to our strategic risks?

- Political – national context, local context, governance structures internal and partners
- Economic – national and local economy, inflation, cost of living, supply chains, workforce relations, resources
- Socio-cultural - inequality, population demographics, community resilience, public expectations, cohesion
- Technological – cyber and technological disruption, data, AI
- Legal – new legislation, reforms, post Brexit, changing responsibilities and structures
- Environmental – climate change, natural disasters, infrastructure and resilience, pollution, sustainability, assets



Leicester
City Council

Business Continuity Management Policy Statement and Strategy 2026

21/11/2025
Leicester City Council
Sonal Devani on behalf of Andrew Shilliam

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Business Continuity Management

Policy Statement and Strategy 2026

Business Continuity Management Policy Statement

Leicester City Council (LCC) is committed to implementing and maintaining a robust and effective Business Continuity Management System (BCMS) as a key mechanism to restore and continue to deliver services in the event of a disruption or emergency, particularly those that are critical. Unexpected disruptive events occur. Such events could be **external** like severe weather, utility failure, terrorist attack or flu pandemic, or an **internal** incident such as ICT failure, loss of a major supplier or loss of a key building which could affect the delivery of LCC's services. These events are usually low likelihood, but high impact if they materialise which should be planned for by implementing a robust, effective and efficient Business Continuity Management System (BCMS).

The Civil Contingencies Act 2004 places a statutory duty on the council (as a Category 1 responder) to ensure that it can:

- Respond to an emergency;
- Continue to support emergency response partners and
- Continue to provide critical services to the public.

By pre-planning rather than waiting for incidents to occur, normal business can be resumed more effectively and efficiently. This is essential for those stakeholders who rely on, or interact with, council services and it helps communities retain confidence in the council. Planning minimises firefighting in a real incident, staff can respond better, service delivery is resumed at an acceptable level, reputational damage is managed and reduced potential for financial loss.

In an internal corporate business continuity incident, it will not be possible to initially return **all** council services as normal. Recovery will be prioritised to services that are the most essential (business-critical services and activities) – those that the Corporate Management Team (CMT) have defined must be back up and running within 24 hours in a defined priority order, unless a dynamic risk assessment of the situation identifies exceptions to this reflecting particular unexpected circumstances.

The expectation is that all services whether deemed critical or not, should have a Business Continuity Plan (BCP) in place which aligns to the ISO22301 Standard.

The BCM Strategy and Policy sets the framework for our BCM approach, key elements of which include:

- Aligned approach with the International Standard for Business Continuity, ISO22301;
- An Incident Response Plan which is reviewed and updated biennially;
- Business critical services determined and agreed by CMT through a Business Impact Analysis exercise;
- Clear roles and responsibilities defined within both the Incident Response Plan and Service BCP's, which staff are fully aware of;
- Management have responsibility for ensuring effective service level BCPs are in place for invocation (in line with the corporate standard) which is reviewed annually and as and when changes take place in the service (regardless of whether a service is critical or not);
- Corporate training provided to staff on BCM;
- BCM will also apply to the Council's relationships and dependencies on goods, supplies and services delivered by other third parties;

- The council will implement a programme of BCP testing exercises and learning will be reflected in plans.
- A corporate debrief is carried out after a Corporate Business Continuity Incident.

The BCM Framework (Policy and Strategy) will be reviewed on an annual basis to ensure continued relevance and to assess that its aims and objectives are being met.

Alison Greenhill
Chief Operating Officer

Sir Peter Soulsby
City Mayor

Business Continuity Management Strategy

1. DEFINITION

Business Continuity Management (BCM) is defined as:

'A holistic management process that identifies potential threats to an organisation and the impacts to business operations that those threats, if realised, might cause, and which provides a framework for building organisational resilience with the capability for an effective response that safeguards the interests of its key stakeholders, reputation, brand and value creating activities.'

ISO22301 Societal security – Business continuity Management systems - Requirements

BCM is about the council preparing for a disaster, incident or event that could affect the delivery of services. The aim is that key elements of a service are maintained at an emergency level and brought back up to an acceptable level as soon as possible. Although the immediate response to a disruption is a key component, business continuity is also concerned with maintenance and recovery of business functions following such a disruption.

BCM is an ongoing process of risk assessment and management with the purpose of ensuring that the council can continue to deliver critical services if and when risks materialise.

BCM is not simply about producing a plan, or even a set of plans. It is a comprehensive management process that systematically analyses the organisation, determines criticality of services, identifies threats, and builds capabilities to respond to them. It should become our 'culture - the way we do things'.

2. SCOPE

BCM is a cross-functional, organisation-wide activity; consequently, the arrangements in this strategy apply to all parts of the council.

Business Continuity will also apply to outsourced contracts, services as well as suppliers, service partners and other relevant stakeholders. This is covered in more detail in section 13. The aim is to ensure that business continuity practices are implemented so that the service provider is able to deliver acceptable standards of service following any disruption they may face. .

3. IMPORTANCE AND BENEFITS OF BCM

The Civil Contingencies Act 2004 places a statutory duty upon the council. As a Category 1 responder under the Act, LCC has a legislative requirement to develop and maintain plans to ensure that it can continue to exercise its functions in the event of an emergency so far as is reasonably practicable. In addition, a clear procedure for invoking BCP's should be in place. Plans should also be reviewed and tested periodically to keep them up to date. Training should be provided to those staff responsible for populating, invoking and reviewing BCPs.

The benefits of having a clear, unambiguous and appropriately resourced Business Continuity Management policy and programme include:

- **Resilience** - Proactively improves resilience when faced with disruption to the council's ability to achieve its key objectives;
- **Communities** – helps to ensure those services which are critical particularly to the city's most vulnerable residents are delivered in as far as possible in order to continue to safeguard and support our communities;

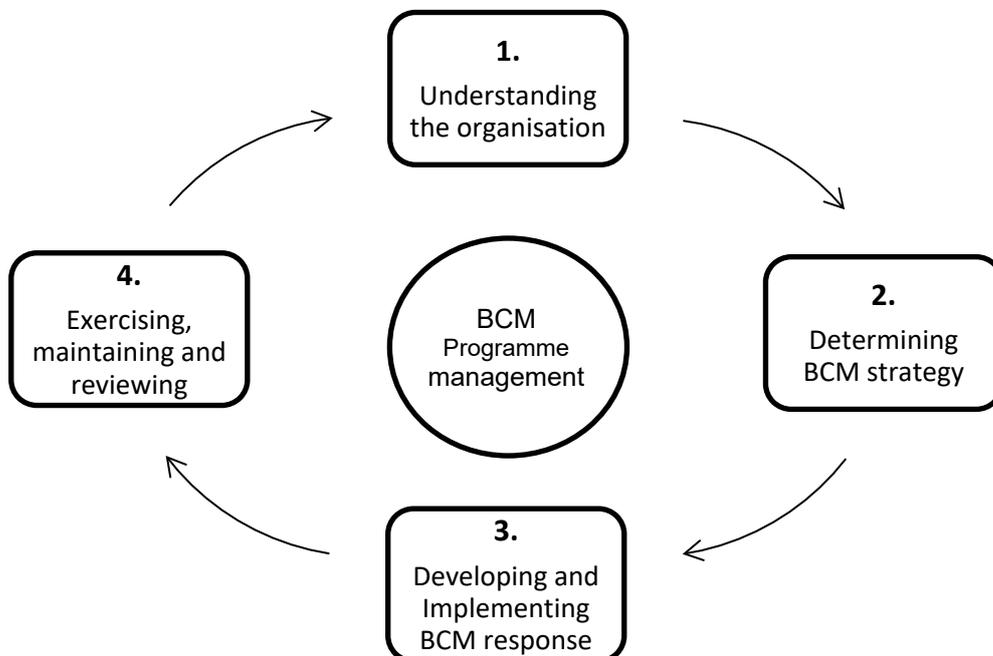
- **Reputation** - Helps protect and enhance the council's reputation as well as reducing the risk of financial loss;
- **Compliance** - Demonstrates applicable laws and regulations are being observed;
- **Cost Savings** - Creates opportunities to reduce the potential cost of disruption and may reduce insurance premiums. Poorly managed incidents also leave the council and its officers exposed to insurance claims;
- **Delivery** - Provides a rehearsed method of restoring the council's ability to supply critical services to an agreed level and timeframe following a disruption;
- **Management** - Delivers a proven capability for managing disruptions which helps to retain confidence in the council.

BCM arrangements are effective only if specifically built for the organisation. The council's programme is aligned with the principles of ISO22301, the International Standard, and to BS11200 Crisis Management Guidance and Good Practice, a recent standard for Crisis Management which is reinforced by reference to the Business Continuity Institute's Good Practice Guidelines.

4. METHODOLOGY

The ultimate aim is to embed BCM within the council's culture. Training and education is an ongoing task but awareness and capability is also a product of the structures put in place and the way we manage our programme.

Embedding BCM in the organisation's culture



Key stages in a BCM programme are:

1. Understanding the organisation:

This involves carrying out in-depth information gathering via business impact analysis' (BIAs) and risk assessments to identify critical activities / functions, evaluate priorities and assess risks to service delivery (see below).

- **BIA** – identify the critical processes and functions and assessing the impacts on the council if these were disrupted or lost. The BIA measures the impact of disruptions upon the organisation;
- **Risk assessment** – once critical processes and functions have been identified, a risk assessment can be conducted to identify the potential threats to these processes. Specific risks that would have a high local adverse impact are documented in service BCPs with details of contingency arrangements in place.

2. Determining an appropriate Business Continuity Strategy:

This involves identification of strategies that support the timely and efficient recovery of services, making decisions based on analysis of data gathered in stage 1, setting recovery time objectives for services and determining resources required to mitigate loss and assessing the effectiveness of maintaining the council's ability to deliver critical service functions in the event of a disruption.

BCM strategies at LCC involve:

- Implementing appropriate measures/strategies to reduce the likelihood of incidents occurring and/or reduce the potential impacts of those incidents;
- Taking account of mitigation measures in place;
- Providing continuity for critical services during/following an incident in priority order;
- Plan owners/HoS reviewing/updating their BCP's and the Business Impact Analysis Assessment annually otherwise sooner where required due to changes in the internal or external environment;
- Identifying key staff/teams who would be involved in a response to a BC incident and ensuring they have access to the relevant response plans;
- Factoring services that have not been identified as critical in planning of BC;
- Consider, determine and set communication channels for implementation in an incident;
- Ensure BCPs are tested;
- Ensure a Corporate Debrief is conducted following any corporate internal business continuity related incidents and lessons learnt are incorporated into any processes, guidance, plans etc.

3. Developing and implementing a BCM response:

This involves implementing relevant BCM strategies in response to a disruption/interruption. For LCC this would mean triggering the Incident Response Plan (IRP) and service area BCPs to pull together the organisation's response to a disruption and enable resumption of business units according to agreed corporate priorities. The IRP and service area BCPs ensure that the following actions are considered:

- The immediate response to the incident;
- The interim solutions for maintaining an emergency level of service;
- Reinstatement of full services within realistic timescales.

4. Exercising, maintaining and reviewing:

- **Testing and Exercise** – Testing ensures plans are in step with organisational and wider external changes and can be audited against defined standards. This enables LCC to demonstrate the extent to which plans are complete, current and accurate and helps identify opportunities for improvement.
- **Maintenance of BCPs** – Ensures the organisation’s BCM arrangements and plans are fit for purpose, kept up to date, quality assured and support an effective response.
- **Review and Lessons Learnt** - Assesses suitability and adequacy and effectiveness of the BCM programme and identifies opportunities for improvements. It is imperative that a debrief is held after any incident with the involvement of relevant parties, be it internal or external. Lessons learnt should be reflected by updating BCPs accordingly.

LCC Critical service BCPs are to be tested every two years as agreed by LCC’s Corporate Management Team.

5. INVOKING THE INCIDENT RESPONSE PLAN (IRP) FOR A BUSINESS CONTINUITY INCIDENT

The IRP is a high-level strategic response plan which is accessible to all on-call senior officers and other relevant staff. A redacted version of the plan is also available to all council staff located at the REBR pages on Interface. This plan will not allow recovery of individual services but co-ordinates the overall approach and supports the recovery of affected services, alongside the use of service area BCPs. The IRP can be invoked by a member of the council’s Incident Response Team (CIRT) as defined within the plan itself.

The IRP can be triggered by serious situations such as:

- Danger to lives and/or the welfare of council staff, Members, visitors or service users;
- The disruption of two or more council services by a business continuity incident;
- A business continuity incident which has the potential to affect the Council’s ability to deliver its critical services;
- More than one council service area is involved in the response;
- Significant resources are required to respond effectively to the incident;
- Actual or potential disruption to public service is incurred or likely to be.
- A coordinated response, over and above day to day working practices, is required.
- A business continuity incident with the potential to adversely affect the organisation’s performance and reputation due to loss of **PEOPLE** and/or **PLANT** and/or **PARTNERS** and/or **PREMISES**.
- Serious loss or damage to key assets;
- Serious impact on the council’s financial status or political stability; or

- Emergency situations in Leicester, or the wider Local Resilience Forum area (Leicester, Leicestershire and Rutland).

6. INCIDENT RESPONSE TEAM

The council has put in place a 3-tier incident management structure: - the Strategic (Gold) and Tactical (Silver) teams have control of the situation and are authorised to take all decisions necessary. The role of the Strategic Response Group is to provide high-level leadership and direction for information and activities to ensure a coordinated and effective response to incidents. They will have overall control by overseeing, directing and authorising the work of the Tactical (Silver) Team who are managing the response and monitoring the actions which the Operational (Bronze) Recovery teams implement.

The IRP sets out this process in more detail. The constitution of the following teams can change as the BCM response unfolds which are:

Incident Response Team:

- Comprises predominantly of those Directors and Senior Heads of Service who have responsibility for defined Business Critical Services;
- Manages and directs the council's response to a serious incident affecting council services or assets;
- Comprises of the Strategic (Gold) and Tactical (Silver) teams;
 - **Strategic (Gold) Response Group** sets the response strategy, oversees the response including work-force related matters, and leads on communications (internal and external),
 - **Tactical Response (Silver) Group** assess the incident and identify and manage the information and actions required by the council to control effective response. Tactical command and control requires effective collaboration between teams and focuses on the practical implementation of strategy, without overseeing frontline details.

Recovery Teams

The Recovery Team will work towards business as usual and remedial actions once response is in place. The role of this team:

- Comprises principally of Heads of Service and their senior managers;
- Collective responsibility for resumption of critical services within their divisions by means of their own individual BCPs;
- Will be directed by and report back to the 'Tactical' (Silver) team reporting to Gold.

The above establishes the command, control and communication system helping to ensure the organisation has clearly documented and well understood mechanisms for responding to an incident regardless of its cause.

Instances may occur where external stakeholders may need to be involved in responding to an incident.

7. MAINTENANCE OF THE INCIDENT RESPONSE PLAN (IRP)

This Incident Response Plan is reviewed 2-yearly, when new legislation or guidance is published, or following exercise or incident debriefs. This plan is also exercised 2-yearly and will usually involve other Resilience Partnership staff to raise awareness and provided external validation.

8. BUSINESS CRITICAL SERVICES BCPs/BIAs

Annually, the Business Continuity & Risk Officer / Corporate Risk Management and Business Continuity Manager circulate a reminder to business-critical services plan owners requesting a thorough update of the plan and the associated BIA for submission to REBR. The Business Continuity & Risk Officer facilitates this process. Although, changes should be made to BCPs as and when new staff join or leave, to reflect office moves, procedures changing or a major corporate change, a thorough review is required annually, usually by the financial year end.

Each department is responsible for keeping its contact lists up to date and issuing off-site documentation to new members of staff in their service areas BCPs. These revisions will need to then be distributed to all authorised personnel, who exchange their old plans for the newly revised plans.

9. LOCATING BCPS

The IRP and business-critical service BCPs are held securely on Resilience Direct (a secure Government IT platform within which LCC have a restricted area) as well as the restricted pages on MS Teams. Paper copies of such BCPs are held by REBR.

BCPs should be saved electronically and onto a memory stick (ensuring that the memory stick is an encrypted one). Holding paper copies is acceptable as this mitigates the risk of total loss of ICT, however, also being cautious of such a method as the plan will contain confidential information. All staff within teams should be aware who has access to their service area BCP. This will ensure smoother and faster recovery following an incident.

10. ROLES AND RESPONSIBILITIES

The table below details the roles and responsibilities of those involved in the planning and implementation of BCM and invocation of plans.

City Mayor / Executive	<ul style="list-style-type: none"> Approve the council's Business Continuity Strategy and Policy Statement annually.
Governance and Audit Committee	<ul style="list-style-type: none"> Ensure that the Business Continuity Strategy is produced, approved by CMT and the Executive and updated regularly; Note and comment on the BC Policy & Strategy
Chief Operating Officer / BCM Champion	<ul style="list-style-type: none"> During an incident, lead the council's 'Strategic' (Gold) Incident response.
Strategic and Divisional Directors	<ul style="list-style-type: none"> Ensure the BCM policy, strategy and development plan is implemented and resourced appropriately across service areas; Participate as required in management teams within the Incident Response Plan; Ensure appropriate staff sit on the 'Strategic' (Gold) and 'Tactical' (Silver) and Operational (Bronze) Recovery teams within the Incident Response Plan; Ensure each of their Service Areas has an effective and current BCP in place which is reviewed each year; Annually self-certify that effective plans exist for all their services, that these plans remain current and 'fit for purpose'; and that any testing of those plans has been carried out (with the assistance and support of REBR Team, if required); Identify staff for training and keep themselves updated on BCM practice; Ensure a debrief is carried out following a BC related incident in their division Embed BCM culture into the ethos of operational management
Corporate Management Team	<ul style="list-style-type: none"> Approve the BC Strategy and Policy annually and ensure implementation
Corporate Risk Management and Business Continuity Manager/ Business Continuity & Risk Officer	<ul style="list-style-type: none"> Co-ordinate the BCM programme; Produce the Corporate BCM framework; Provide a critical friend service on reviewing service areas BCPs Produce the Business Continuity Policy and Strategy and ensure it is reviewed annually; During an incident, co-ordinate the council's BCM incident response(s), supporting the COO as 'Strategic' lead; Following an incident, facilitate the 'lessons learned' session(s); Make available best practice tools (e.g. templates); Identify training needs and arrange delivery; Support and advise service areas and LA maintained schools; Facilitate the self-cert process; Facilitate BIA Workshops Facilitate testing and exercising of the council's BCPs when requested by Directors/their teams and undertake testing in business-critical areas at least every other year; Quality control – review BCM arrangements for services; Promote BCM in the community.
All Heads of Service / Managers	<ul style="list-style-type: none"> Lead Business Continuity arrangements within their area; Attend training commensurate with their role; Identify staff from their teams that have a role to play in any recovery for suitable training; Prepare a recovery plan covering all service delivery functions (priority for critical functions), update at least annually; and, Implement the agreed arrangements in the event of a disruption.
All Staff	<ul style="list-style-type: none"> Familiarisation with business continuity arrangements within their area; Attend training commensurate with their role; Engage with testing and exercising; Respond positively during a crisis.

11. BUSINESS CONTINUITY SELF CERTIFICATION

Annually, all Directors will self-certify that BCPs are in place for all their services and the associated BIA is updated. LCC's Risk Management and Business Continuity Manager will facilitate the process and report to CMT.

12. MANAGING BC INCIDENTS AND INCIDENT LOGGING

The REBR Team support and advise service areas during a business continuity incident to help manage a response to an incident. Once an incident has concluded, The REBR Team can assist with conducting a debrief and draw out any lessons learnt, involving relevant parties and gather feedback for distribution, and where necessary, services amend BCPs appropriately to reflect any changes.

On-call officers are briefed by The Resilience Manager and Corporate Risk Management and Business Continuity Manager on how to deal with internal and external incidents and LCC's response. In addition, they are also briefed on guidance, plans and processes available to them to aid in the response to an incident.

The REBR Team have produced an incident logging template which Senior Officers On call and other relevant officers have access to or will be given access to it the event of an incident. This is found on MS Teams. This is to be used for all major and minor incidents and may help when conducting the debrief.

13. BUSINESS CONTINUITY AND PROCUREMENT

Contracts for goods and / or services deemed critical to business continuity should include a requirement for each nominated supplier to give an assurance and evidence that robust BCP arrangements are in place covering the goods and/or services provided. When procuring for goods and/or services, the need for business continuity requirements in the specification and/or evaluation criteria must be considered.

14. BCM IN THE COMMUNITY

The council will participate in appropriate practitioner groups and work with partner agencies to promote BCM in the community and will advise and assist local organisations with their BCM arrangements.

15. MULTI-AGENCY BUSINESS CONTINUITY WORKING GROUP

The Corporate Risk Management and Business Continuity Manager will continue to chair this group which involves partner agencies such as emergency services, utilities, voluntary organisations. These meetings highlight how partner agencies respond to an incident and its business continuity implications and support the sharing of ideas and good practice.

Strategic and Operational Risk Registers

Governance and Audit Committee

Date of meeting: 16th March 2026

Decision to be taken on: N/A

Andrew Shilliam, Director of Corporate Services

Useful information

■ Ward(s) affected: All

■ Report author: Sonal Devani, Corporate Risk Management & Business Continuity Manager

■ Author contact details: 0116 454 37 1635

■ Report version number: 1.0

1. SUMMARY

This report presents the following:

- The refreshed **Strategic Risk Register (SRR)** – no significant changes but improved links to Operational Risks.
 - The refreshed **Operational Risk Register (ORR)** and that there are 4 new risks appearing, being:
 - Adopting new technologies and unknown impacts
 - Data loss
 - Impacts from LGR
 - Impacts from market sustainability – *Tourism, Culture & Inward Investment*.
 - 1 ORR risk has increased from 16 to 20, being Workforce availability - Children’s Social Work and Early Help
 - No risks removed from ORR
- } *Corporate Services*
- A refreshed approach to presenting information relating to these risks – Appendix 1

2. RECOMMENDED ACTIONS/DECISIONS

- 2.1 To note the SRR and ORR, and in particular any updates made to the strategic and operational risks.

3. SCRUTINY / STAKEHOLDER ENGAGEMENT

- 3.1 All Strategic and Divisional Directors were consulted to provide updated risk registers at both Strategic and Divisional level (which in turn feeds the Operational Risk Register). These updates inform the content of this report, and the updates made to the SRR and ORR.

4. STRATEGIC AND OPERATIONAL RISK REPORTING AND UPDATE

Reporting Framework and Policy

- 4.1. The Risk Management Policy Statement and Strategy 2026 directs the development, maintenance and monitoring of both the SRR and ORR. All strategic and operational risks are reviewed on a 4-monthly basis and presented to CMT and

Executive Board. Governance and Audit Committee are updated on a 6-monthly basis.

- 4.2. Strategic risks are those that may affect the Council's ability to achieve its strategic objectives. They are captured in our Strategic Risk Register (SRR) and linked to operational risks.
- 4.3. The PESTLE (Political, Economic, Social, Technological, Legal and Environmental) framework is used to categorise strategic risks, although in LCC, *Political* and *Legal* factors are combined.
- 4.4. Appx 1 provides a summary of the SRR and contains context, links to operational risks, changes from previous ratings and an overview of risk response. Strategic risks are often owned by more than one strategic officer as they impact across multiple divisional areas and are linked to numerous operational links.
- 4.5. Operational risks are those HIGH risks associated with operational service delivery i.e. the day-to-day operations, processes, activities of service areas. These are contained in the ORR, which are taken directly from the high scoring (15-25) risks on Divisional Risk Registers and listed in order of risk rating (high to low) within strategic functional groupings.
- 4.6. Appx 2 provides a summary of the ORR and Appx 3 shows the full ORR including details of risk controls, actions and date added to the ORR.
- 4.7. Divisional risks are those identified at the level of a division or service within the Council and linked to that division's objectives, service delivery and day-to-day functions. They are captured in our Divisional Risk Registers (DRRs). Those risks rated as HIGH then appear on the ORR. Divisional Risks should be regularly reported to Executive Leads at Lead Member Briefings but only those that appear on the ORR are reported to CMB and Governance & Audit Committee.

Strategic Risk Register Update

- 4.8. There remain 14 risks on the SRR. No new strategic risks have been identified, and the risk scores have remained the same.
- 4.9. Due to the nature of strategic risks, there is often limited opportunity for LCC to influence the *likelihood*, so whilst controls and actions to manage the status quo or reduce *impact* are more achievable, we believe that scope to reduce overall risk rating changes is limited. This has also prompted a change in response category to some risks of TOLERATE as well as TREAT.
- 4.10. Strategic Risk 2.3 - Economic – Financial Sustainability remains and is linked to 12 risks on the ORR illustrating the wide-ranging nature of strategic risks and the requirement for cross-divisional assessments regarding Impact rating and multiple risk owners (including input into Risk Control Action Plans).
- 4.11. The next most linked strategic risk is 2.2 Economic - Lack of critical skills, resources and capabilities across the workforce, which is linked to 6 operational risks.

4.12. The strategic risk matrix at Fig 1. provides an indicator of the rating of the council's strategic risks in terms of likelihood and impact. The strategic risks in red are classified as HIGH, yellow are MEDIUM and green are LOW, however as they all link to operational risks rated at HIGH, regular reviewing, monitoring and consideration for further controls remains a requirement. See Appx 1 for more details of individual risks.

Impact	5 Critical/ Catastrophic			4.1		2.3 3.1 3.4
	4 Major		1.2	3.5	2.2	1.1 3.3 4.2 5.1
	3 Moderate			4.3	2.1 3.2	
	2 Minor					
	1 Insignificant/ Negligible					
Strategic Risk Matrix		1 Very unlikely /Rare	2 Unlikely	3 Possible	4 Probable/ Likely	5 Almost Certain
		Likelihood				

Fig 1. Strategic Risks Matrix

Operational Risk Register Update

4.13. Four new risks have been added, one risk score has increased, and no risks have been deleted this reporting period.

Newly added Risks

Risk Description	Risk Score	Division
Adopting new technologies and unknown impacts	20 (I=4, L=5)	Corporate Services
Data loss	20 (I=4, L=5)	Corporate Services
Impacts from LGR	20 (I=4, L=5)	Corporate Services
Market sustainability.	16 (I=4, L=4)	Tourism, Culture and Inward Investment

Amended Score

Risk Description	Risk Score	Division
Workforce availability	20 (I=4, L=4) (increased from 16)	Children's Social Care and Community Safety

- 4.14. 16 of those operational risks have amended the controls/actions they have in place to manage them, the full details of which are available at the ORR at Appx 3.

5. Financial, legal, equalities, climate emergency and other implications

5.1 Financial implications

This report updates on the strategic and operational risks facing the Council. In most cases, the cost of treating risks will need to be accommodated within existing budgets, but the identified risks will also need to be considered as part of the annual budget setting process and through quarterly budget monitoring.

Stuart McAvoy, Head of Finance, Ext 37 4004

Signed: Stuart McAvoy

Dated: 26 February 2026

5.2 Legal implications

There are no direct legal implications arising from this report.

Kamal Adatia, City Barrister, Ext 37 1401

Signed: Kamal Adatia

Dated: 23 February 2026

5.3 Equalities implications

Under the Equality Act 2010, the Council has a Public Sector Equality Duty (PSED) to have due regard to the need to eliminate discrimination, advance equality of opportunity and foster good relations between people who share a protected characteristic and those who do not. Protected characteristics include age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation. The Strategic Risk Register explicitly includes risks relating to the Council's ability to meet its equality and human rights duties, and several of the strategic and operational risks would, if not effectively managed, have a disproportionate impact on people with particular protected characteristics (for example risks linked to safeguarding, workforce capacity in key frontline services, data loss, and socio-cultural/community tensions). Ensuring that these risks are identified, regularly reviewed and appropriately mitigated helps the Council to maintain services that are accessible, safe and responsive for diverse communities and to uphold its obligations under the Equality Act 2010 and the Human Rights Act 1998.

Sukhi Biring, Equalities Officer Ext 37 4175

Signed: Surinder Singh

Dated: 23 February 2026

5.4 Climate Emergency implications

The risks associated with climate change such as increased flooding, heatwaves, droughts and storm damage, their consequences and the council's management of these risks are the subject of risk '5.1 – Impacts and requirements arising from climate change' within the SRR. This allows for monitoring of the risks and consequences and the actions that are in place to control them, as well as further actions required. Further detail on the risks and impacts of climate change for the UK can be found in the official Met Office UK Climate Projections (UKCP).

Climate change also links to other risks in the SRR, including risk '3.2 - Less healthy and health resilient populations' as many of the risks associated with climate change present a further threat to health and wellbeing. This includes health risks from heatwaves and extreme heat, which are particularly dangerous for those with existing conditions and for elderly and very young residents. Climate change also links to risk '1.1 – Volatile political and policy environment', both from risks to support for the council's work on climate change and the potential for some actions to exacerbate volatility where they may be controversial with some residents.

Following Leicester City Council's declaration of a Climate Emergency in 2019, and ambition to achieve net zero emissions within the council and city, climate change has been identified as one of the council's major priorities to tackle. The council's actions on mitigating and adapting to climate change are managed and monitored through its 'Climate Emergency Action Plan', which is currently being updated. Adaptation has been identified as a key area for future work, and the updated action plan will contain an action on reviewing climate risks for the council and city, and updating the associated adaptation plans as required.

Phil Ball, Sustainability Officer, Ext 37 2246

Signed: Phil Ball

Dated: 20 February 2026

5.5 Other implications (You will need to have considered other implications in preparing this report. Please indicate which ones apply?)

N/A

6. Background information and other papers:

LCC Risk Management Policy Statement & Strategy 2026 (approved by Exec Board Jan 2026).

7. Summary of appendices:

- Appendix 1: Strategic Risk Register (SRR) Summary
- Appendix 2: Operational Risk Register (ORR) Summary.
- Appendix 3: Detailed Operational Risk Register (ORR).

8. Is this a private report (If so, please indicate the reasons and state why it is not in the public interest to be dealt with publicly)?

N/A

9. Is this a “key decision”? If so, why?

N/A

Appendix 1 - Strategic Risk Register summary

Date: 31.01.26

SRR Ref No	Risk Title <i>and link to ORR Risks (see Appx 2 for details of ORR)</i>	Current Situation		Previous Situation		Risk Response Plan				
		Risk Score (I=Impact, L=Likelihood)	Risk Owners	Risk score at 30/09/25	Variance since last cycle	Risk Response Strategy <i>(Tolerate, Treat, Transfer, Terminate)</i>	Target Score with further actions & controls	No of Existing Controls	No of Further Controls & Actions under implementation	
Political /Legal										
SRR 1.1	Changing political and policy environment	20 I=4, L=5	AG, LMJ, KA, RS, AO	20	↔	Treat/Tolerate	15 I=3, L=5	10	2	
	<i>Links to ORR Risks:</i> 1. <i>Housing – Budget Pressures</i> 2. <i>Housing - Homelessness</i> 10. <i>PD&T - Change in county council politics</i> 17. <i>Corporate Services – Impacts that fall out of the LGR</i> 21. <i>Corporate Services – Martyn’s Law</i> 25. <i>Education SEND -transport policy</i>	Risk Context: We have limited ability to affect the likelihood of this risk so must focus on reducing the impact in those areas most affected. Government ministerial and policy changes as well as local and national elections cause increased uncertainty, as do changes in legislation, governmental priorities and international events. The impact of changes is not always immediately clear and public opinion alters, and is affected by, domestic political policy, so anticipating changes is not always easy.								
SRR 1.2	Failures in integrity of local governance and decision making	8 I=4, L=2	KA, AO	8	↔	Treat	6 I=3, L=2	6	5	
	<i>Links to ORR Risks:</i> 4. <i>Burial Space Limits</i> 9. <i>Duty to Protect</i> 23. <i>Legal – Workloads & Pressure</i> 25. <i>Education SEND Transport Policy.</i>	Risk Context: This risk remains low and we have significant control over likelihood and impact. It is controlled through the strength of our Internal Audit arrangements. We have new providers in place with a good track record of delivery and we have already seen an improved focus on targeted audited activity.								
Economic										
SRR 2.1	Economic instability and weak economy	12 I=3, L=4	RS	12	↔	Treat	9 I=3, L=3	3	4	

65

	<p><i>Links to ORR Risks:</i></p> <ul style="list-style-type: none"> 1. <i>Housing – Budgets Pressures</i> 2. <i>Housing - Homelessness</i> 8. <i>PD&T - Difficulty in securing suitable contractors</i> 11. <i>TI&C – Market Sustainability</i> 	<p>Risk Context:</p> <p>The risk reflects the ongoing weakness of the national economy coupled with high levels of national debt and prices medium to high. Notable threats to economy from global trading pressures and new global tariffs from America. Volatile costs and supplies forecast outside of our control mean the economic future remains challenging. Inward investment, development and tourism becomes more challenging, Financial burden is placed on us is challenging because of continued economic uncertainty, pressure from future pay awards, and pressure from increasing resident expectation and support.</p>							
SRR 2.2	<p>Economic: Lack of critical skills, resources and capabilities across the workforce</p>	<p>16 I=4, L=4</p>	AS	16	↔	Treat	<p>9 I=3, L=3</p>	4	3
	<p><i>Links to ORR Risks:</i></p> <ul style="list-style-type: none"> 2. <i>Housing – Homelessness</i> 7. <i>PD&T – Recruitment and Retention of Staff</i> 13. <i>Corporate Services – Shortages of staff/capacity/key skills/knowledge</i> 24. <i>Children’s Social Care Workforce Availability</i> 29. <i>Public Health – Staffing and Recruitment – Internal</i> 30. <i>Public Health – Staffing and Recruitment – External</i> 	<p>Risk Context:</p> <p>Insufficient skills and resources due to a variety of factors, such as the competitive employment market, local authority pay constraints, ageing workforce, negative public perceptions arising from assessments conducted by statutory bodies/regulators, and other challenges Local Authorities typically face attracting talent. The threat of strike action remains despite the change in Government, which will disrupt resources and our capability to deliver services if these occur. This is risk is scored at 16 due to the condensing of pay grades resulting from successive pay awards creates a narrowing of the lower and upper grades. Also, increasing use of AI technologies in public service delivery coupled with an ageing workforce with almost half of new recruits into the Council being in the 50+ age group. The impact of this risk in the inability retains and recruit staff which may lead to more expensive options, such as using agencies and locums and strain on the workforce could result in low morale.</p>							
SRR 2.3	<p>Economic: Financial sustainability</p>	<p>25 I=5, L=5</p>	AO	25	↔	Treat	<p>20 I=5, L=4</p>	5	6
	<p><i>Links to ORR Risks:</i></p> <ul style="list-style-type: none"> 1. <i>Housing – Budgets Pressures</i> 3. <i>N&ES – Ash Dieback</i> 4. <i>N&ES – Burial Space Limits</i> 5. <i>N&ES – Age and Condition of Infrastructure and Assets</i> 6. <i>N&ES – Budgets</i> 11. <i>TI&C – Market Sustainability</i> 	<p>Risk Context:</p> <p>If the Council is no longer financially sustainable, due to expenditure being more than the income and it has used its one-off resources, the Council would be impacted in delivering its services.</p>							

	<p>18. Corporate Services – Loss of Income Opportunities</p> <p>19. Corporate Services – Ongoing Budget Pressures</p> <p>20. Corporate Services – Technology Costs</p> <p>25. SC&E – Transport Policy</p> <p>28. Public Health – Budget</p> <p>31. Public Health - Commissioning</p>								
Socio-Cultural									
SRR 3.1	<p>Socio-cultural: Growth in demand due to rising cost of living, population growth and greater complexity of need</p>	<p>25 I=5, L=5</p>	LMJ, RS	25	↔	Treat	<p>15 I=3, L=5</p>	6	6
	<p><i>Links to ORR Risks:</i> 2. Housing – Homelessness</p>	<p>Risk Context: An increasing population, increased frailty in the older population combined with pressures on households from increased cost of living leads to greater need and demand for Council services. Increasing complexity of need and a less resilient population is further exacerbating the level of demand on services. Service delivery across Council and partners focuses on addressing presenting and crisis needs leaving limited resource for preventative activity.</p>							
SRR 3.2	<p>Socio-cultural: Less healthy and health-resilient populations.</p> <p>Poor health outcomes for communities.</p>	<p>12 I=3, L=4</p>	LMJ, RH	12	↔	Treat	<p>9 I=3, L=3</p>	8	4
	<p><i>Links to ORR Risks:</i> 2. Housing – Homelessness 27. Public Health – Health Protection</p>	<p>Risk Context: Poor and unequal health risk factors across communities means an increased risk of poor outcomes, including levels of disease and premature deaths. This places the communities at greater risk from future pandemics, as well as greater demand for adult social care and public health services. There may also be increased prevalence of SEND and children becoming looked after due to emotional trauma leading to increased demand on services and resources to deal with health crises.</p>							
SRR 3.3	<p>Socio-cultural: Inability to respond to critical housing needs</p>	<p>20 I=4, L=5</p>	RS	20	↔	Treat	<p>16 I=4 L=4</p>	11	33

	Housing emergency focus.								
			Risk Context: Inability to respond to housing needs due to reduced available housing in the private and social rented sector due to increased regulation, costs, and slow-down in housing development due to costs and inflation, along with lack of availability of land within the city for new housing. Housing demands and impacts further exacerbated by high numbers of asylum seekers placed within the city needing support where given leave to remain and residents seeking accommodation remain in unsuitable accommodation for longer periods.						
SRR 3.4	Socio-cultural: Impacts arising from numbers and complexity of needs of asylum seekers and refugees	25 I=5, L=5	RS, LMJ	25	↔	Treat	16 I=4 L=4	9	3
			Risk Context: Needs arising from increasing numbers of asylum seekers and refugees being placed in the city and the complexity arising from the range of national schemes and support arrangements for different groups. This places significant additional demands, cost pressures on services including housing, education, social care, both directly for the asylum seekers and refugees. Also, this adds additional demand and strain to wider systems and partnership working such as the health and social care system due to significant and rising numbers of unaccompanied asylum-seeking children, and of care leavers who were formerly asylum seekers.						
SRR 3.5	Socio-cultural: Growing sense of polarisation and increased appetite for social activism in the UK	12 I=4, L=3	AG, RS, AS, LMJ	12	↔	Treat	9 I=3 L=3	7	7
	<i>Links to ORR Risks:</i> 4. N&ES – Burial Space Limits 9. PD&T – Duty to Protect		Risk Context: The growing sense of polarisation and increased appetite for social activism in the UK, often fuelled by perceptions of social inequality, coupled with rapidly changing cultural and community dynamics leads to tensions/issues that LCC may have a greater inability to respond effectively. This may lead to changing dynamics in the city due to migration and population growth along with impacts arising from wider geopolitical politics outside of LCC's control and social media cause volatility in terms of community cohesion and tensions between communities in the city.						
SRR 4.1	Technological: Disruption to technology infrastructure	15 I=5, L=3	AS	15	↔	Treat	15 I=5, L=3	17	3

	<p><i>Links to ORR Risks:</i> 12. Corporate Services – Loss of Key IT Systems / Data Compromised 14. Corporate Services – Cyber Security 22. Finance – Unit 4 Finance System Implementation 26. Public Health - Data</p>	<p>Risk Context: Potential for cyber-attack or other significant disruption to the organisation's technology infrastructure on which it is heavily reliant where service delivery could be significantly compromised. The impact of this risk could be high as it would affect the delivery of council services.</p>							
SRR 4.2	<p>Technological: Inability to innovate and respond to new and emerging technological developments</p>	20 I=4, L=5	AS	20	↔	Treat	9 I=3, L=3	8	6
	<p><i>Links to ORR Risks:</i> 15. Corporate Services - New Technologies (inc AI)</p>	<p>Risk Context: Services core system development needs cannot be accommodated in service budget due to costs rising from Microsoft infrastructure related systems and apps beyond our current arrangements. This could place significant pressure on budgets from demand for, and cost of new technologies. A more coordinated and collaborative response is required due to speed of change.</p>							
SRR 4.3	<p>Technological: Data not appropriately managed or effectively used</p>	9 I=3, L=3	KA, AS	9	↔	Treat	6 I=3, L=2	5	4
	<p><i>Links to ORR Risks:</i> 12. Corporate Services – Loss of Key IT Systems / Data Compromised 16. Corporate Services – Data Loss</p>	<p>Risk Context: This risk relates to services do not recognise or understand the importance of data that they hold which leads to governance, access, classification, ROPA, and ownership issues. However, this risk is not high due to processes in place.</p>							
SRR 5.1	<p>Environmental: Impacts and requirements arising from climate change</p>	20 I=4, L=5	RS	20	↔	Treat	16 I=4, L=4	6	6

<p>Links to ORR Risks:</p> <ul style="list-style-type: none"> 1. <i>Housing – Budget Pressures</i> 2. <i>Housing – Homelessness</i> 3. <i>N&ES – Ash Dieback</i> 9. <i>PD&T – Duty to Protect</i> 25. <i>Education SEND - Transport Policy</i> 	<p>Risk Context:</p> <p>Climate change demands and the ability to respond to physical extreme weather impacts, and to meet challenging targets / requirements from Government which seek to tackle the causes of climate change. Response in terms of net zero ambitions is potentially significantly constrained by lack of funding and LCC financial challenges.</p>
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Risk scores:

LEVEL OF RISK	OVERALL RATING	HOW THE RISK SHOULD BE TACKLED/ MANAGED
High Risk	15-25	IMMEDIATE MANAGEMENT ACTION
Medium Risk	9-12	Plan for CHANGE
Low Risk	1-8	Continue to MANAGE

Risk owners:

AG	Alison Greenhill	LMJ	Laurence Mackie-Jones
AO	Amy Oliver	RH	Rob Howard
AS	Andrew Shilliam	RS	Richard Sword
KA	Kamal Adatia		

Appendix 2 - LCC Operational Risk Register Summary as of 31st January 2026

ORR Ref No.	Risk Title (Directorate) Links to SRR	Current Situation		Previous Situation		Risk Response Plan				
		Risk Score (I=Impact, L=Likelihood)	Risk Owners	Risk score at 30/09/25	Variance since last cycle	Risk Response Strategy (Tolerate, Treat, Transfer, Terminate)	Target Score with further actions & controls	No of Existing Controls	No of further Controls & Actions under implementation	
City Developments and Neighbourhoods (in current risk score order, by division)										
1	Budget Pressures (Housing)	16 I=4, L=4	CB	16	↔	Treat	12 I=4, L=3	14	9	
	<i>Links to SRR Risks:</i> SRR 1.1 – Political Environment SRR 2.1 – Economic Instability SRR 2.2 – Workforce SRR 2.3 – Financial Sustainability SRR 5.1 – Climate Emergency		Risk Description: Increase in inflationary pressures have led to increasing pressures on the Housing Revenue Account and the Housing General Fund.							
2	Homelessness (Housing)	16 I=4, L=4	CB	16	↔	Treat	12 I=3, L=4	22	16	
	<i>Links to SRR Risks:</i> SRR 1.1 – Political Environment SRR 2.1 – Economic Instability SRR 2.2 – Workforce SRR 3.1 – Demand Growth SRR 3.2 – Health Resilience SRR 5.1 – Climate Emergency		Risk Description: We are a statutory service providing services to all residents of Leicester and those with Local connections to the city including any rough sleepers and those that are placed in the city as per Government requirements. Homelessness Services is facing significant pressures due to unprecedented demands (over 200% increase within the last decade) and Leicester like other LAs nationally continues to experience a housing crisis.							
3	Ash Dieback - Epidemic of Ash Trees (Neighbourhood and Environmental Services)	16 I=4, L=4	SA	16	↔	Treat	12 I=4, L=3	2	3	
	<i>Links to SRR Risks:</i> SRR 2.3 – Financial Sustainability SRR 5.1 – Climate Emergency		Risk Description: Caused by an introduced pathogen that most local ash trees are unlikely to have resistance to. It is anticipated that up to 95% of the tens of thousands of ash trees in the City will die.							
4.	Decreasing availability of Burial Space	16 I=4, L=4	SA	16	↔	Treat	12 I=4, L=3	6	5	

ORR Ref No.	Risk Title (Directorate) Links to SRR	Current Situation		Previous Situation		Risk Response Plan			
		Risk Score (I=Impact, L=Likelihood)	Risk Owners	Risk score at 30/09/25	Variance since last cycle	Risk Response Strategy (Tolerate, Treat, Transfer, Terminate)	Target Score with further actions & controls	No of Existing Controls	No of further Controls & Actions under implementation
	(Neighbourhood and Environmental Services)								
	<i>Links to SRR Risks:</i> SRR 1.2 – Governance SRR 2.3 – Financial Sustainability SRR 3.5 – Community tensions and dynamics								
5.	Age and Condition of Infrastructure and Assets (Neighbourhood and Environmental Services)	16 I=4, L=4	SA	16	↔	Treat	12 I=4, L=3	2	4
	<i>Links to SRR Risks:</i> SRR 2.3 – Financial Sustainability								
72	Budgets (Neighbourhood and Environmental Services)	16 I=4, L=4	SA	16	↔	Treat	9 I=3, L=3	6	1
	<i>Links to SRR Risks:</i> SRR 2.3 – Financial Sustainability								
7.	Recruitment and Retention of Staff (Planning Development and Transport)	16 I=4, L=4	ALS	16	↔	Treat	12 I=3, L=4	7	3
	<i>Links to SRR Risks:</i> SRR 2.2 – Workforce								
8.	Difficulty in Securing Suitable Contractors (Planning Development and Transport)	16 I=4, L=4	ALS	16	↔	Tolerate / Treat	12 I=3, L=4	1	1

ORR Ref No.	Risk Title (Directorate) Links to SRR	Current Situation		Previous Situation		Risk Response Plan				
		Risk Score (I=Impact, L=Likelihood)	Risk Owners	Risk score at 30/09/25	Variance since last cycle	Risk Response Strategy (Tolerate, Treat, Transfer, Terminate)	Target Score with further actions & controls	No of Existing Controls	No of further Controls & Actions under implementation	
	<i>Links to SRR Risks: SRR 2.1 – Economic Instability</i>									
	Risk Description: Managing compliance with new Procurement Regulations constraints and timelines.									
9.	Duty to Protect (Planning Development and Transport)	15 I=5, L=3	ALS	15	↔	Treat	10 I=5, L=2	7	1	
	<i>Links to SRR Risks: SRR 1.2 – Governance SRR 3.5 – Community Tensions and Dynamics SRR 5.1 – Climate Emergency</i>									
	Risk Description: Failure to ensure counter terrorism measures are incorporated into the built environment where required in order to meet our new statutory duties under the Duty to Protect legislation, e.g. new public realm schemes incorporating hostile vehicle mitigation measures.									
10.	Change in County Council Politics (Planning Development and Transport)	15 I=5, L=3	ALS	15	↔	Tolerate		1	2	
	<i>Links to SRR Risks: SRR 1.1 – Political Environment</i>									
	Risk Description: New Reform UK minority cabinet have yet to outline key policies or approaches; large amount of work is cross-boundary, delivered in partnership, or relies upon tools and contracts that have been established and shared between the authorities.									
11.	Market Sustainability (Tourism, Investment & Culture)	16 I=4, L=4	PC	NEW		Tolerate	12 I=4, L=3	1	1	
	<i>Links to SRR Risks: SRR 2.1 – Economic Instability SRR 2.3 – Financial Sustainability</i>									
	Risk Description: Risk of market proving unviable arising from poor trading environment, poor trader mix, traders disengaging and changed customer behaviour.									
Corporate Services (in current risk score order, by division)										
12.	Loss of Key Divisional IT Systems / Data Compromised (Corporate Services)	20 I=4, L=5	AS	20	↔	Treat	16 I=4, L=4	11	4	
	<i>Links to SRR Risks: SRR 4.1 – Technology Disruption SRR 4.3 – Use of Data</i>									
	Risk Description: Failure of a critical IT system or cyber attack affecting the division, systems such as HR system, Xpress, Agresso systems - staff may be unable to deliver their roles, duties etc. If this was to exceed to more than 2 days, this would significantly impact on service delivery and financial targets.									

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ORR Ref No.	Risk Title (Directorate) Links to SRR	Current Situation		Previous Situation		Risk Response Plan			
		Risk Score (I=Impact, L=Likelihood)	Risk Owners	Risk score at 30/09/25	Variance since last cycle	Risk Response Strategy (Tolerate, Treat, Transfer, Terminate)	Target Score with further actions & controls	No of Existing Controls	No of further Controls & Actions under implementation
13.	Shortages in terms of staff, capacity, key skills and knowledge (Corporate Services)	20 I=4, L=5	AS	20	↔	Treat	15 I=3, L=5	3	2
	<i>Links to SRR Risks: SRR 2.2 - Workforce</i>	Risk Description: Shortages in terms of staff, capacity, key skills and knowledge.							
14.	Cyber Security (Corporate Services)	20 I=4, L=5	AS	20	↔	Treat	12 I=3, L=4	18	5
	<i>Links to SRR Risks: SRR 4.1 – Technology Disruption</i>	Risk Description: Increasing profile and expertise of threat actors such that they are able to circumvent established defences and which therefore increases the vulnerability of LCC systems and data.							
15.	New Technologies (including AI) (Corporate Services)	20 I=4, L=5	AS	NEW		Treat	12 I=3, L=4	6	5
	<i>Links to SRR Risks: SRR 4.2 – New Technologies</i>	Risk Description: As the Council moves to introduce new technologies (including some AI functionality), there may be unknown impacts that come about as a result of that adoption.							
16.	Data Loss (Corporate Services)	20 I=4, L=5	AS	NEW		Treat	12 I=3, L=4	3	4
	<i>Links to SRR Risks: SRR 4.3 – Use of Data</i>	Risk Description: Data loss occurring from staff behaviours presents information governance challenges.							
17.	Impacts that fall out of the LGR (Corporate Services)	20 I=4, L=5	AS	NEW		Treat	12 I=3, L=4	2	3
	<i>Links to SRR Risks: SRR 1.1 – Political Environment</i>	Risk Description: Impacts that fall out of the LGR.							
18.	Loss of Income Opportunities (Corporate Services)	16 I=4, L=4	AS	16	↔	Treat	12 I=4, L=3	1	3

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ORR Ref No.	Risk Title (Directorate) Links to SRR	Current Situation		Previous Situation		Risk Response Plan			
		Risk Score (I=Impact, L=Likelihood)	Risk Owners	Risk score at 30/09/25	Variance since last cycle	Risk Response Strategy (Tolerate, Treat, Transfer, Terminate)	Target Score with further actions & controls	No of Existing Controls	No of further Controls & Actions under implementation
	<i>Links to SRR Risks: SRR 2.3 – Financial Sustainability</i>								
	Risk Description: Commercial arrangements such as trading with schools are lost due to heightened market competition, rising costs and therefore increased prices, and due to a lack of staff resources and expertise to undertake marketing and business development.								
19.	Ongoing Budget Pressures and Savings Impacting on Service Delivery (Corporate Services)	16 I=4, L=4	AS	16	↔	Treat	9 I=3, L=3	3	2
	<i>Links to SRR Risks: SRR 2.3 – Financial Sustainability</i>								
	Risk Description: Division unable to meet future level of savings required. The level of future savings required leads to unsustainable services/loss of services and support to the organisation impacting on the ability of the Council to operate effectively, lawfully and deliver particularly on its statutory obligations.								
20.	Technology Costs (Corporate Services)	15 I=5, L=3	AS	15	↔	Treat	12 I=4, L=3	7	5
	<i>Links to SRR Risks: SRR 2.3 – Financial Sustainability</i>								
	Risk Description: Potential shortfall of IT OpEx Revenue fundings to cover increasing costs of IT licencing, support and services in light of WoW, a migration to consumption-based licencing and cloud platforms.								
21.	Impacts Arising from Future Legislation ‘Martyn’s Law’ (Corporate Services)	15 I=5, L=3	AS	15	↔	Treat	10 I=5, L=2	4	3
	<i>Links to SRR Risks: SRR 1.1 – Political Environment</i>								
	Risk Description: Council is unprepared to respond to the potential requirements of forthcoming legislation related to counter-terrorism and therefore fails in the duty to protect people.								
22.	Unit 4 Finance System Implementation (Finance)	15 I=5, L=3	AO	15	↔	Treat	6 I=3, L=2	3	1
	<i>Links to SRR Risks: SRR 4.1 – Technology Disruption</i>								
	Risk Description: Unit 4 Finance System Implementation.								
23.	Workloads & Pressure (Legal)	16 I=4, L=4	KA	16	↔	Treat	12 I=4, L=3	7	2

ORR Ref No.	Risk Title (Directorate) Links to SRR	Current Situation		Previous Situation		Risk Response Plan			
		Risk Score (I=Impact, L=Likelihood)	Risk Owners	Risk score at 30/09/25	Variance since last cycle	Risk Response Strategy (Tolerate, Treat, Transfer, Terminate)	Target Score with further actions & controls	No of Existing Controls	No of further Controls & Actions under implementation
	<i>Links to SRR Risks: SRR 1.2 – Governance</i>								
Risk Description: Services within the Council are stretched with increased demands and pressures. Unrealistic deadlines at times can be set for major projects, procurement and contracts.									
Social Care and Education (in current risk score order, by division)									
24.	Workforce – Availability (Children’s Social Care and Community Safety)	20 I=4, L=5	DE	16	↑	Treat	12 I=4, L=3	1	3
	<i>Links to SRR Risks: SRR 2.2 – Workforce</i>								
Risk Description: Diminishing availability of experienced skilled social workers.									
25.	Impact of Post-16 SEND Transport Policy (Education, SEND and Early Help)	16 I=4, L=4	SM	16	↔	Treat	8 I=4, L=2	4	1
76	<i>Links to SRR Risks: SRR 1.1 – Political Environment SRR 1.2 – Governance SRR 2.3 – Financial Sustainability SRR 5.1 – Climate Emergency</i>								
	Risk Description: Impact of post-16 SEND transport policy implementation following consultation and decision making.								
Public Health (in current risk score order, by division)									
26.	Data (Public Health)	20 I=4, L=5	RH	20	↔	Treat / Tolerate	15 I=3, L=5	10	6
	<i>Links to SRR Risks: SRR 4.1 – Technology Disruption</i>								
Risk Description: LA requirements for data often not understood by external providers/national governing bodies which can cause delays in Information Sharing agreements or restrictions in data flows into public health for information required to deliver objectives.									
27.	Health Protection (Public Health)	20 I=5, L=4	RH	20	↔	Treat	12 I=4, L=3	8	4

ORR Ref No.	Risk Title (Directorate) Links to SRR	Current Situation		Previous Situation		Risk Response Plan			
		Risk Score (I=Impact, L=Likelihood)	Risk Owners	Risk score at 30/09/25	Variance since last cycle	Risk Response Strategy (Tolerate, Treat, Transfer, Terminate)	Target Score with further actions & controls	No of Existing Controls	No of further Controls & Actions under implementation
	<i>Links to SRR Risks: SRR 3.2 – Health Resilience</i>								
	Risk Description: Public health protection capacity is limited to a consultant lead and single infection prevention control specialist (IPC). Three additional staff members (TB, screening and immunisation) are on temporary short-term contracts using external time limited funding.								
28.	Budget (Public Health)	16 I=4, L=4	RH	16	↔	Treat / Tolerate	12 I=4, L=3	14	8
	<i>Links to SRR Risks: SRR 2.3 – Financial Sustainability</i>								
	Risk Description: Public health protection capacity is limited to a consultant lead and single infection prevention control specialist (IPC). Three additional staff members (TB, screening and immunisation) are on temporary short-term contracts using external time limited funding.								
29.	Staffing and Recruitment - Internal (Public Health)	16 I=4, L=4	RH	16	↔	Treat	12 I=4, L=3	12	10
77	<i>Links to SRR Risks: SRR 2.2 - Workforce</i>								
	Risk Description: A key risk here is retention of Consultant in Public Health staff. One consultant recently left to take up a post within the NHS, where staff with equivalent qualifications and experience can earn approx. £20k to £30k more per annum.								
30.	Staffing and Recruitment - External (Public Health)	16 I=4, L=4	RH	16	↔	Treat / Tolerate	12 I=4, L=3	5	5
	<i>Links to SRR Risks: SRR 2.2 - Workforce</i>								
	Risk Description: A national skill shortage and recruitment crisis in conjunction with Leicester being a challenging area in comparison to neighbouring areas creates difficulties in securing appropriately trained professionals within commissioned services and / or partner organisations – in particular Public Health Nurses and Health Visitors, as well as sexual health specialists.								
31.	Commissioning (Public Health)	16 I=4, L=4	RH	16	↔	Treat / Tolerate	8 I=4, L=2	13	7
	<i>Links to SRR Risks: SRR 2.3 – Financial Sustainability</i>								
	Risk Description: Reduced budget for services impacts on financial viability to suppliers at the tender stage who may deem package to be unviable leading to a lack of bids reducing competition or tender failing altogether. Suppliers								

ORR Ref No.	Risk Title (Directorate) Links to SRR	Current Situation		Previous Situation		Risk Response Plan				
		Risk Score (I=Impact, L=Likelihood)	Risk Owners	Risk score at 30/09/25	Variance since last cycle	Risk Response Strategy (Tolerate, Treat, Transfer, Terminate)	Target Score with further actions & controls	No of Existing Controls	No of further Controls & Actions under implementation	
										may also not bid on tenders due to staff / skill shortages leaving them unable to meet requirements. This is exacerbated by tight financial envelopes and increased costs due to inflation.

Key:

IMPACT (I)	SCORE	LIKELIHOOD (L)	SCORE
CRITICAL/ CATASTROPHIC	5	ALMOST CERTAIN	5
MAJOR	4	PROBABLE / LIKELY	4
MODERATE	3	POSSIBLE	3
MINOR	2	UNLIKELY	2
INSIGNIFICANT/ NEGLIGIBLE	1	VERY UNLIKELY / RARE	1

Risk scores:

LEVEL OF RISK	OVERALL RATING	HOW THE RISK SHOULD BE TACKLED/ MANAGED
High Risk	15-25	IMMEDIATE MANAGEMENT ACTION
Medium Risk	9-12	Plan for CHANGE
Low Risk	1-8	Continue to MANAGE

Risk Owners:

ALS	-	Andrew L Smith	KG	-	Kate Galoppi
AO	-	Amy Oliver	PC	-	Peter Chandler
AS	-	Andrew Shilliam	RH	-	Rob Howard
CB	-	Chris Burgin	SA	-	Sean Atterbury
DE	-	Damian Elcock	SM	-	Sophie Maltby
KA	-	Kamal Adatia			

RISK REF	RISK THEME / CATEGORY	LINK TO STRATEGIC RISK	RISK	CONSEQUENCE/EFFECT:	EXISTING ACTIONS/CONTROLS	RISK SCORE			RESPONSE STRATEGY / ACTION	FURTHER MANAGEMENT ACTIONS/CONTROLS			TARGET SCORE	COST	RISK OWNER	TARGET DATE	DATE ADDED TO ORR
						Impact	Probability	Risk		Impact	Probability	Risk					
<p>STRATEGIC AREA - City Development and Neighbourhoods</p>																	
1	POLITICAL ECONOMIC LEGAL	SRR 1.1 SRR 2.1 SRR 2.2 SRR 2.3 SRR 5.1	<p>Housing - Budget Pressures - Increase in inflationary pressures have led to increasing pressures on the Housing Revenue Account and the Housing General Fund. 2023/24 budget has been set with significant savings required and more savings potentially still to be found over the course of the year.</p> <p>The rent increase is capped below inflation for 23/24 and at CPI + 1% for 24/25 and again for 25/26, further limiting options to address this risk.</p> <p>- Homelessness Financial risks amount primarily to increased demand on temporary accommodation forcing use of nightly paid and bed & breakfast in ever increasing numbers, as well as lack of move-on increasing length of stay and further impacting cost. However, additional pressure resulting from the need for an increased staffing base.</p> <p>Heavy reliance on grant funding. Increased burden on the city from the impact of immigration and asylum (See "Refugees").</p>	<p>Budget overspend. Insufficient budget to balance the budget without reducing service offer or capital investment</p> <p>Impact on the resilience of services and their ability to manage and adapt to further change.</p> <p>The erosion of service areas and what we can and can't do.</p> <p>Expectations will need to be managed in the face of potential impacts on services.</p> <p>Negative PR / reputational damage / potential increase in complaints / legal challenges and fines.</p> <p>- LCC Housing stock does not meet decent homes standard - Housing Regulator intervention</p>	<p>- Senior Management Team (SMT) monitor and address financial challenges</p> <p>Year-end forecasting process with Finance team.</p> <p>- Heat metering and billing project (direct consequence of budget pressures on HRA)</p> <p>Managing and supporting the health and well being of staff as part of having to work within a financially constrained environment with the associated service delivery consequences.</p> <p>Review of all existing HRA budget to identify potential savings to include in the 24/25 HRA budget</p> <p>'Homelessness financial pressure and controls:</p> <p>- B&B elimination plan developed and lodged with DLUCH.</p> <p>- Additional GF budget funding of £10m in 24/25 towards additional TA costs</p> <p>- Homelessness Prevention Grant - £1.07m initially for 24/25 and increase in the HPG for 25/26</p> <p>- Homelessness Strategy challenging supply and types of temporary accommodation</p> <p>- Ongoing continuous recruitment exercise in place alongside agreement to recruit over-establishment. Currently successfully up to 30 FTE HPOs</p> <p>- Maximising opportunities to bring in further funding</p> <p>- Exploring all avenues with different models of temporary accomm, including in the interim moving to establish more block booking arrangements and contacts re nightly paid accommodation to drive down B&B costs.</p> <p>- Touchdown beds established to absorb some pressure from Singles.</p> <p>- Focus on spending where will make biggest impact - prevention initiatives that prevent entry to TA.</p> <p>- Reviewing our projections (including financial) monthly, and ensuring all projections and tolerances are understood, including contingency measures which need to be implemented, should it be identified that we the authority is failing to maintain legal compliance and support vulnerable households.</p> <p>- HRA Budget for 24/25 approved as a balance budget and 25/26 also approved as a balanced budget addressing £5m of budget pressures. £6m of HRA budget pressures but still proposing a balanced budget</p> <p>- Full Council approved an additional £45m to buy 225 units of accommodation, lease 125 units and add 25 staff</p>	4	4	16	Treat	<p>- 5 and 30 year capital investment strategy being developed</p> <p>- FBR savings proposed in Housing GF proposals of savings of over £900k</p> <p>- Bidding to secure additional external funding towards existing costs</p> <p>- Ongoing external bidding for funding</p> <p>'Homelessness financial pressure and controls:</p> <p>- Delivery of the £45m 225 TA units / 125 leases and 25 staffing ongoing & a further £50m of capital for 250 TA units in the GF budget for 26/27 PLUS additional funding of £1.8m for additional staffing and actions</p> <p>- Actions as set out in the Homelessness risk above.</p> <p>- Forecasting of the Homelessness budget pressures in tandem with projected New Housing delivery to identify next steps.</p> <p>- Longer term planning for Housing delivery beyond 2027 to ID a pipeline of delivery to continue to tackle this pressure</p> <p>- Additional steps to proactively tackle the Homelessness budget pressures through reducing down prices on TA units, increasing own TA units, further increasing staffing and access to PRS market.</p>	4	3	12	Staff time	Chris Burgin	Ongoing, 31/05/2026 review	Sep-22
2	ECONOMIC SOCIO-CULTURAL LEGAL POLITICAL	SRR 2.1 SRR 2.2 SRR 2.3 SRR 5.1 SRR 1.1	<p>Homelessness - summary</p> <p>We are a statutory service providing services to all residents of Leicester and those with Local connections to the city including any rough sleepers and those that are placed in the city as per Government requirements. Homelessness Services is facing significant pressures due to unprecedented demands (over 200% increase within the last decade) and Leicester like other LAs nationally continues to experience a housing crisis. External pressures including changes in Government policy and lack of funding and budgetary pressures further compound the situation i.e. Asylum pressures, LHA caps resulting in affordability issues, Landlords exiting rental market due to the introduction of the Renters Rights Act (RRA), losing Council stock due to RTB and lack of land or government funding to acquire and build housing.</p> <p>Reputational increases in legal challenges against the Council following homelessness decisions i.e. suitability of accommodation (TA or permanent offers)</p> <p>Duty of Care safeguarding and provision of critical services. Not being able to meet the needs of increasingly chaotic, vulnerable and complex housing needs of customers due to the reasons presented i.e. arson or failing to provide adequate support and safeguarding for vulnerable individuals or those at risk of Domestic violence resulting in serious case reviews / OHRs.</p> <p>Reputational, Governance & People Due to significant demands staff caseloads remain high, creating a risk of error, maladministration, or unlawful practice leaving us open to legal challenge and Ombudsman enquiries and public interest reports. This could potentially lead or contribute to a death in cases are mishandled.</p> <p>Households remaining in TA for longer periods as the housing register wait times increase and lack of PRS solutions. Households remain in B&B for longer due to lack of self-contained TA</p> <p>Funding - Multi-year homelessness settlements under a new formula remains insufficient to support the ongoing need to provide effective Homelessness services. Council budgets are having to provide uplifts which may become unsustainable and result in global impact of Council budgets leading to S114</p> <p>Legislative changes significant changes in legislation i.e. Renters Rights Act being introduced in support of PRS tenants, but this is resulting in landlords exiting rental market and serving S21s reducing the availability of PRS solutions</p> <p>Budgets & Finance - Significant financial pressures due to cost of TA. Potential for a rise in LGSCO cases where recommendations may include financial compensation adding to already stretched budgets</p>	<p>Coverage in Local press, or National press. Reputational damage with partners, leading to political lobbying.</p> <p>Inability to meet demand for preventative homelessness services impacting on crisis management, lowered prevention outcome, subsequently leading to increased costs of temporary accommodation and additional pressures in move-on demand for a large cohort of those accommodated.</p> <p>Failure to deliver statutory homelessness services under Part 7 of the Housing Act 1996 due to lack of move on options. Risk of harm to households in worst case scenario death or injury of customer. Reputational damage due to risk of legal challenges including financial burden due to associated costs.</p> <p>Current burdens causing pressures on staff leading to retention issues, further compounding available resources and pressures.</p> <p>'Significant increase in numbers in temporary accommodation compounding Financial Risk (see below). The lack of suitable accommodation for applicants with high risks and complex needs.</p> <p>Inability to support Homelessness projects due to lack of funding meaning households in TA will be left with little or no support, further impacting their health, finances and lifestyle.</p>	<p>Continuous recruitment and finding ways to retain staff and increasing FTE within Housing Options & Transitions Workers.</p> <p>Intensive Caseload Reviews and case management meetings for officers with their manager, offering support and building team resilience</p> <p>Working collaboratively with partners and hosting events, workshops, identifying new approaches, initiatives</p> <p>Various Homelessness projects funding via HPG and HSF to support PRS move on, furniture packages and support for families in TA</p> <p>Funding and engaging with partners like (Help the Homeless) HTH to host events in support of families in TA to secure PRS solutions and other types of support</p> <p>Risk of Rough Sleeping assessment tool launched as of Dec 2024 to help reduce the number of rough sleepers and those at high risk in becoming entrenched rough sleepers causing risk to life</p> <p>'Homelessness strategy launched with an associated action plan</p> <p>Increased service provision with extended opening times, and more face to face service provision i.e. DC, Libraries and JCP</p> <p>PRS Strategy developed to enable more housing options and help to prevent and sustain current PRS households. This continues to be working progress.</p> <p>Call before you serve' for private landlords has commenced alongside enhanced PRS Prevention activity with PRS Tenants, leading to better outcomes for this cohort. To be extended and promoted</p> <p>Maximising use of LCC Council stock</p> <p>Work to develop and improve various pathways i.e. Prison Release & hospital discharge protocol</p> <p>Extended Private Rented Sector (PRS) landlords offer to attract more PRS accommodation for those facing Homelessness is now in effective operation - PRS Schemes reviewed upper operating limit increased to LHA+35%.</p> <p>Maximising use of HomeCome stock and PRS solutions for this cohort</p> <p>The additional £45m to buy 276 units of accommodation, lease 125 units and add 25 staff. Investments are completed, waiting to launch singles and families total units.</p> <p>Working alongside Advisors from MHCLG to discuss best practice, promote B&B elimination ideas and access additional funding streams where available</p> <p>Household Support Fund extended March 2025 to March 2026 supporting the prevention activities with over £1m towards Homelessness prevention activities</p> <p>Working to reduce the use of general needs TA for customers impacted by domestic abuse and separate risk assessments in place for this work.</p> <p>Review of Severe Weather Emergency Protocol Provision (SWEPE) and launched a winter shelter to reduce financial burden of significant use of B&B during cold weather (sub-zero temperatures)</p> <p>Launch of newly revised PRS strategy</p> <p>Introduced a Homeless Improvement Team to support the delivery of improvements within Homelessness services to negate the need for OR / SAR</p> <p>Training and support for staff from external consultants to minimise risk and error in the delivery of homelessness services</p>	4	4	16	Treat	<p>Homelessness strategy launched with further amendments to be made following the Government's roll out of Children and Homelessness Strategy (June 2026)</p> <p>Build new Social Housing & acquire houses to use as Social Housing (ongoing)</p> <p>£50m report pending approval at Full Council to enable further investment in PRS, TA acquisitions, resources within Homelessness Services (March 2027)</p> <p>Ongoing collaborative arrangements with a range of internal, external and VCS partners to continue support for homeless households (Ongoing)</p> <p>Ongoing review delivery of B&B Elimination Plan with MHCLG Advisors, completely eliminate the use of B&B (On-going)</p> <p>Launch of TA charging policy and a Temp Accommodation and procurement policy (March 2026)</p> <p>Promotion of PRS Schemes to manage and reduce expectations and pressures on social housing (On-going)</p> <p>Deliver PRS Growth report actions and prepare for the RRA and associated regulations (Ongoing)</p> <p>Launch 'one Hub' in support of Rough Sleepers or those at risk of rough sleeping and to reduce numbers of Rough sleepers (April 2026)</p> <p>Launch a newly revised Housing Allocations Policy (March 2027)</p> <p>Continue launching the self-contained TA Acquisitions, Breathe plus YOHO to reduce TA pressures and expenditure (Ongoing)</p> <p>Continue to identify patterns and trends particularly around complex needs and future plan to meet service needs (Ongoing)</p> <p>Continue building resilience across Homelessness services and support retention including appointing apprentices (Ongoing)</p> <p>Introduce performance management framework and quality audits to mitigate risks and errors to reduce legal challenges and reputational damage (August 2026)</p> <p>Maximize the use of the Crisis & Resilience Grant for Homelessness projects (March 2027)</p> <p>Utilise the Homeless & Rough Sleeping multi year settlement effectively and prioritise according to service need - 2027/ 2028/ 2029</p>	3	4	12		Chris Burgin	Ongoing, individual dates shown for each item	Sep-23
3	ENVIRONMENTAL / ECONOMIC	SRR 5.1 SRR 2.3	<p>Neighbourhood and Environmental Services - Ash Dieback - Epidemic of Ash Trees</p> <p>Caused by an introduced pathogen that most local ash trees are unlikely to have resistance to. It is anticipated that up to 95% of the tens of thousands of ash trees in the City will die. Perhaps 50% of the total will be the council's direct liability. Many trees are located on traffic routes or in areas of use and habitation. Dying and collapsing trees will present an injury and property damage risk, and present a hazard risk to staff during removal operations. Under normal conditions £135k per year is devoted to clearing similar problems across all species. It is anticipated this cost will multiply several times at the height of the epidemic.</p>	<p>- Injury to staff and residents, including highway users.</p> <p>- Damage to property including animal injury, buildings, parked and moving vehicles, various infrastructure and parks and street furniture.</p> <p>- Disruption to traffic routes and areas of high use during removal operations.</p>	<p>- Established teams, structures and systems will address problems in the early stages. These can be built on further as the problem starts to strain existing resources. There is no way to limit or control the establishment and spread of the pathogen as it is a windborne micro-organism. In essence management is a reactive process.</p> <p>- A capital bid of £130k for a elevated platform to allow working at height was approved in the 2023/24 programme and introduced in 2024</p> <p>- The Ash Die Back Action Plan and on-line educational page on LCC website now live to make residents/ public aware of Ash Dieback.</p> <p>26 trees felled in 2021/22, 276 felled in 2022/23, 172 felled in 2023/24, 380 felled in 2024/25 (YTD)</p>	4	4	16	Treat	<p>- Effective and timely reactive responses, utilising existing revenue budget and prioritising the Trees & Woodlands work programme.</p> <p>- Continue to monitor spread of disease and record on a central register, removal of trees which reach category 3/4.</p> <p>- Uplift in revenue budget to support management of ADB planned for 2026/27 to recruit an additional tree gang.</p>	4	3	12	N/A	Sean Atterbury	Ongoing, 31/05/2026 review	Oct-19
4	SOCIO-CULTURAL POLITICAL / ECONOMIC	SRR 3.5 SRR 1.2 SRR 2.3	<p>Neighbourhood and Environmental Services - Decreasing availability of burial space</p> <p>Burial space is limited in supply and may run out if further provision is not provided before existing capacity is reached.</p> <p>Rates of death and grave sales have increased above average over the past 5 years.</p> <p>Financial losses from lack of new burial space reducing cemetery income (estimated £1m plus per annum).</p>	<p>- Significant distress to families requiring a burial if no new burial plots are available.</p> <p>- Some faith communities do not permit cremation as an alternative.</p> <p>- Damage to LCC reputation and significant negative press and community tensions arising from failure to meet needs.</p> <p>- Reduction in service provision.</p>	<p>- Burial Space Strategy 2014 identified the need for a new cemetery.</p> <p>- Consultation with planners regarding Local Plan provision in the city and outside the city undertaken.</p> <p>- EBS Capital Projects team commissioned to commence a new cemetery by 2026/27. One site identified for feasibility to date, potential for others being investigated by EBS.</p> <p>- £150k budget for feasibility studies agreed.</p> <p>- Mitigation action to reduce demand for graves without a burial proposed, until point of need.</p> <p>- Feasibility of extra deep graves is being explored.</p>	4	4	16	Treat	<p>- Identify alternative site/s for new burial space.</p> <p>- Secure capital funding (c£6m -£10m) and planning permission for new cemetery construction.</p> <p>- Public consultation on future needs.</p> <p>- possibility to gain additional burial space by expanding the city boundary through LGR.</p> <p>- Meetings have been held with external partners</p>	4	3	12	£150k + £6-10m	Sean Atterbury	Planning permission, 2026	Sep-22
5	ECONOMIC	SRR 2.3	<p>Neighbourhood and Environmental Services - Age and Condition of Infrastructure and assets</p> <p>Limitation to the ability to afford capital and leverage to potential borrowing this is likely to limit the ability to undertake critical end of life replacement. E.g. maintenance of neighbourhood centres, leisure centres and equipment, parks and open spaces fleets and street cleansing equipment, which has an adverse impact on service delivery, meeting customer expectations and achieving ambitious future income growth targets and FBR savings.</p>	<p>- Inability to run key services resulting in service closures or loss of provision of services</p>	<p>Condition surveys in place across the division, strategic assessments being undertaken, costs identified, key risks are costed. Client account plan in place, close working with EBS and Libraries and Communities Needs Assessment comprehensive review.</p> <p>- Currently have £1m to invest under capital programme.</p>	4	4	16	Treat	<p>Consolidate building to reduce overheads.</p> <p>Develop shared service plans for the division.</p> <p>Shared asset register</p> <p>Review divisional assets and ownership with a view to reduce</p>	4	3	12	N/A	Sean Atterbury	Ongoing, 31/05/2026 review	Sep-23
6	ECONOMIC	SRR 2.3	<p>Neighbourhood and Environmental Services - Budgets</p> <p>Insufficient funding for services to operate effectively.</p>	<p>- Reduction of service level and performance</p> <p>- Viability of service to continue to operate</p> <p>- Loss of reasonable service provision to communities</p> <p>- Inability to deliver statutory functions</p> <p>- Reduced community cohesion</p> <p>- Increased likelihood of services being delivered by community groups being handed back to the Council, including return of Community Asset Transfers</p>	<p>- Ensuring effective financial governance is in place, including programme boards</p> <p>- Building a culture of financial transparency</p> <p>- Engagement to understand community impacts</p> <p>- LLR Partnership working</p> <p>- New ways of working have been implemented to encourage entrepreneurial opportunities</p> <p>- External funding opportunities are routinely explored, for example HLF, DEFRA, Forestry Commission, Home Office</p>	4	4	16	Treat	<p>- Strategic management and analysis, promoting systems leadership and understanding the consequential impact of actions across the division alongside opportunities for further reductions.</p>	3	3	9	N/A	Sean Atterbury	Ongoing, 31/05/2026 review	Sep-25
7	ECONOMIC	SRR 2.2	<p>Planning Development and Transport - Recruitment and Retention of staff to deliver key projects, programmes and strategies. Lack of qualified experienced staff in market. Pay levels not commensurate with other councils. Various external factors impacting e.g. Reed are not a built environment / transport specialist agency so interim staff difficult to source via this single supplier contract, external job market etc. Pressures within HR contribute further service delivery issues.</p>	<p>- Failure to deliver key project/programme</p> <p>- Financial implications.</p> <p>- Poor service level.</p> <p>- Additional pressures on overtime and agency use, increased complaints, reputation issues, stress levels and sickness.</p>	<p>- Service specific progress monitoring meetings with Director.</p> <p>- Prioritising recruitment and replacement of staff as soon as they leave.</p> <p>- Extend Graduate programme.</p> <p>- Comprehensive Planning Workforce Action Plan / Organisational Review consultation now concluded to address the recruitment and retention issues in the service- significant funding required. External consultants appointed where possible.</p> <p>- Organisational review of Transport Team underway</p> <p>- Succession planning for Transport & Highways in development. - Highways service Management Structure Review being business case being finalised with focus in retention and recruitment objective. Looking to commence review in February/March 2026 subject to approvals. - Highways Engineers have been moved onto the Transport Professional Career Grade</p>	4	4	16	Treat	<p>- Escalation of risk reporting to higher management and political level.</p> <p>- Consultant and legal advice to minimise risk. Explore new options around capacity support other than via Reed</p> <p>- Expedite HR, Procurement, Legal and Financial processes.</p>	3	4	12		Andrew L Smith	Ongoing, 31/05/2026 review	May-23
8	ECONOMIC	SRR 2.1	<p>Planning Development and Transport - Difficulty in securing suitable contractors. Managing compliance with new Procurement Regulations constraints and timelines.</p>	<p>- Delay to projects and programmes; cost increases; funding slippage; potentially politically sensitive on high profile projects</p>	<p>Reviewing options for securing contractors including through frameworks</p>	4	4	16	Tolerate / Treat	<p>Alternative procurement options are being considered</p>	3	4	12		Andrew L Smith	Ongoing, 31/05/2026 review	Jan-25
9	POLITICAL SOCIO-CULTURAL LEGAL	SRR 1.2 SRR 3.5 SRR 5.1	<p>Planning Development and Transport - Duty to Protect - Failure to ensure counter terrorism measures are incorporated into the built environment where required in order to meet our new statutory duties under the Duty to Protect legislation, e.g. new public realm schemes incorporating hostile vehicle mitigation measures.</p>	<p>- Council could be deemed at fault if a terrorist incident occurred that could have been prevented by appropriate CT measures/features in the built environment and day to day highway network management activities.</p>	<p>- Maintaining regular catch up meetings with CT Police Team.</p> <p>- Establish single point of contact for schemes with CT implications within the public realm.</p> <p>- Project records to include reference to compliance / agreement of alternatives / non agreement and associated rationale with CT Police requirements.</p> <p>- Training sessions being delivered</p> <p>- Need to ensure requirement for CT measures is considered and record all decisions.</p> <p>- City Centre PPZ Security measures being delivered in liaison with CT Police Team. - NEW PPZ security bollard system went live on 13th May 2025. Monitoring in process and additional work at Cheapside identified. - Corporate Protect and Prepare Group established to implement Martyr's Law and national guidance provided</p>	5	3	15	Treat	<p>- Consider inclusion of reference to CT measures in the revised Street Design Guide.</p>	5	2	10		Andrew L Smith	Ongoing, 31/05/2026 review	Jan-23
10	POLITICAL	SRR 1.1	<p>Planning Development and Transport - Change in county council politics - new Reform UK minority cabinet have yet to outline key policies or approaches, large amount of work is cross-boundary, delivered in partnership, or relies upon tools and contracts that have been established and shared between the authorities</p>	<p>Could be severe - loss of access to tools required to deliver statutory functions related to planning, air quality, or road, impacts to the ability to deliver on projects</p>	<p>Early engagement with county officers at senior level to understand changes in direction, policy, or instruction issued by cabinet</p>	5	3	15	Tolerate	<p>Ongoing engagement</p> <p>Review/visit MoUs</p>	5	3	9		Andrew L Smith	Ongoing, 31/05/2026 review	Sep-25
11	ECONOMIC	SRR 2.1 SRR 2.3	<p>Tourism, Investment & Culture - Market sustainability. Risk of market proving unviable arising from poor trading environment, poor trader mix, traders disengaging and changed customer behaviour.</p>	<p>Ongoing significant revenue budget pressure for the service as historic income targets remain and can't be met with current proposals. Manageable in 2025/26 and 2026/27 by cross subsidy but not sustainable longer term. If market can't be sustained there could also be a significant reputational risk for the council given the historical significance of the operation for the city.</p>	<p>Further revised scheme agreed for completion late 2026 or early 2027. Corporate funding agreed for 2025/26 and 2026/27 to manage during development.</p>	4	4	16	Tolerate - keep under review	<p>Need clarity on future plans and timescale for completion of development. To agree if additional funding can be deployed to support the scheme. To deliver the proposal quickly.</p>	4	3	12		Peter Chandler	31/03/27	Jan-26

RISK REF	RISK THEME / CATEGORY	LINK TO STRATEGIC RISK	RISK	CONSEQUENCE/EFFECT:	EXISTING ACTIONS/CONTROLS	RISK SCORE			RESPONSE STRATEGY / ACTION	FURTHER MANAGEMENT ACTIONS/CONTROLS	TARGET SCORE			COST	RISK OWNER	TARGET DATE	DATE ADDED TO ORR		
						Impact	Probability	Risk			Impact	Probability	Risk						
STRATEGIC AREA - Corporate Services																			
12	TECHNOLOGICAL	SRR 4.1 SRR 4.3	Corporate Services - Loss of Key Divisional IT Systems / Data Compromised	<p>Failure of a critical IT system or cyber attack affecting the division, systems such as HR system, Xpress, Agresso systems - staff may be unable to deliver their roles, duties etc. If this was to exceed to more than 2 days, this would significantly impact on service delivery and financial targets.</p> <p>The data held within the current systems is not available, robust or accurate to allow adequate management reporting.</p>	<ul style="list-style-type: none"> - Adverse effect on budget/finances. - Reputational damage. - Services cannot be delivered. - Current systems may not be able to support the required level of management information regarding performance, staff, electorate, media relationships etc. - Management decisions/process decisions/system improvements cannot be met. 	<ul style="list-style-type: none"> - IT DRP is in place. Back-ups taken across systems in the division. - Business Continuity plans are in place and regularly reviewed to identify ways to continue service delivery should systems be unavailable. - Desktop exercises to test plans in relation to ICT loss have been undertaken for the division to ensure plans are robust and plans revised as appropriate in light of the learning from these - Ongoing awareness raising with staff about cyber security risks and lessons learned activity undertaken post cyber-incident.. - Continue to operate desk top training exercises. - Completed assessment of critical systems using the Cyber Assessment Framework (CAF) as part of the Future Councils engagement. - Active-Active Data Centres implemented which will improve resilience for critical systems. - Implemented mandatory Cyber Security training. - Reflected increased risk of Cyber Attack in Corporate Strategic Risk Register. - Core infrastructure for active-active DCs are now in place and tested under DR scenario and outputs submitted to internal audit to close outstanding action. - Partially brought in high-availability following loss of a data centre or an internet pipe albeit at reduced capacity. 	4	5	20	Treat	<p>Peer to peer contact with other LGAs and 3rd parties on knowledge transfer to improve staff awareness of Cyber Security responsibilities and to share best practice in respect of cyber preparedness.</p> <p>Developing a revised Digital Operating Model taking account of NSCS '10 steps to Cyber Security' framework and which will include measures to improve our organisational footing and resilience.</p> <p>Post cyber incident debrief and lessons learned event learning points to be discussed and so specific divisional learning can be identified.</p> <p>Majority of applications servers now shared across DCs awaiting installation of network equipment to improve capacity.</p>	4	4	16		Andrew Shilliam	2025/27	May-24	
13	ECONOMIC	SRR 2.2	Corporate Services - Shortages in terms of staff, capacity, key skills and knowledge	<p>Capacity - HR and DDaT teams specifically experiencing capacity challenges because of organisational support demands, loss of key personnel because of retirement mainly, and because of internal movement to other roles.</p> <p>Knowledge - the loss of some experienced individuals in HR specifically through retirement could have an impact on our operational resilience.</p> <p>Skills - specific technical skills such as ICT development posts are competitive to recruit to, and as we move towards a different structure within HR we may experience some disruption to advice provided as staff migrate to new roles.</p> <p>Key person dependency - continuing reductions in staff may lead to increasing reliance on fewer people, some of whom may not have critical knowledge/skills, creating additional pressures at times e.g. unplanned absence; inability to transfer knowledge and skills before key staff leave.</p> <p>Ageing workforce - risk of loss of critical knowledge, experience and expertise.</p> <p>Increase in demand arising from level of organisational change and need to deliver efficiencies/savings.</p> <p>There maybe an increased demand for support of which available expertise is limited or competing requirements/expectations. Therefore, support services such as HR and Comms may not be able to meet expectations or deliver to the right level of quality.</p>	<ul style="list-style-type: none"> - Increase in key person dependency and increased dependency on line managers to deliver a number of technical capabilities. - Lean staffing structures put pressure on staff. - Existing staff health and wellbeing may deteriorate, including morale. - Service demand cannot be met and members demands/expectations cannot be met. - Tasks are not completed/delivered and/or critical projects may be halted. - Statutory/regulatory requirements may not be adhered to and deadlines breached. - Reputational damage if service operations fall below requirements and/or decisions aren't adequate. - Adverse effect on finances because interim resource arrangements are more costly. - Specialist expertise and knowledge is not available to deliver the required duties. - Corporate memory diminishes when staff leave the Council. - Highly skilled technical roles cannot easily be filled - Perception of blame culture leads to senior and/or skilled staff leaving - Inadequate/inappropriate decisions are made by management, resulting on increased involvement by HR and/or other services in a reactive capacity. - Changes may not be made quickly and effectively and/or changes may be made prior to all parties consent. - Poor and risky management practices. 	<p>Corporate approach to workforce planning being implemented so divisions and services have a better understanding of weaknesses in their respective areas, and have targeted initiatives/actions in place to address.</p> <p>Divisional action plan being prepared so to address the key staff capacity, skills and knowledge based challenges confronting Corporate Services.</p> <p>Review of services + roles that might be well suited to creating pilot career pathways so we can attract new talent and address our aging workforce challenges.</p>	4	5	20	Treat	<p>Review of current rollout of corporate workforce planning framework so the organisation has better resilience. This has to include developing better visibility required over (1) POSTS, and (2) PEOPLE that we consider to be of a highly specialist skillset and that are considered to be both more difficult to recruit to (reasons required) and where the current postholders are flight risks. It also has to include consideration of the workforce profile and where we have specific issues around age, knowledge retention etc.</p> <p>Use of DMU internships and other placement opportunities to add short-term capacity and to link with grow our own approach.</p>	3	5	15		Andrew Shilliam	Ongoing	31/05/2026	Sep-22
14	TECHNOLOGICAL	SRR 4.1	Corporate Services - Cyber Security	<p>Increasing profile and expertise of threat actors such that they are able to circumvent established defences and which therefore increases the vulnerability of LCC systems and data.</p>	<ul style="list-style-type: none"> - Data hacked and released into public domain; - Reputational damage - seek alternative more expensive solutions; - Fines from ICO; - Staff stress increases; - Damage to identified individuals; - Denial of service / major service disruption 	<p>Enhanced technology defences.</p> <p>Targeted follow up's</p> <p>Built into new system standards from 3rd party applications (secure passwords, TLS).</p> <p>Daily back-up of systems.</p> <p>Maintain clear Major Incident Management processes.</p> <p>Understand RPO and RTO capability for recovering critical systems.</p> <p>Appointed Security Operations Centre Lead to review and respond to threat intelligence.</p> <p>Undertaking Cyber Security Gap Analysis in light of increased flexible and mobile working.</p> <p>Implemented solutions to respond to the new threat from Ransomware which could attack / compromise backup data.</p> <p>Implemented new XR End Point security.</p> <p>Completed NCSO Cyber Assessment Framework (CAF) as part of DLUHC Future Councils and develop a remediation plan.</p> <p>Amended SOC Playbook so they may unilaterally shutdown systems if a potential cyber security incident is identified.</p> <p>New Cyber Security Training, Simulation and Awareness campaign introduced.</p> <p>New SOC Appointed May 2025.</p> <p>Introduced Supply Chain controls to assess their Cyber Security - e.g. Minimum Cyber Essentials plus.</p> <p>Reviewed where we currently are against the NCSO Cyber Assessment Framework (CAF) as part of DLUHC Future Councils and developed a remediation plan.</p> <p>Reviewed technical skills of DDaT Security Team - Appoint into two security roles (09/25)</p> <p>All servers now compliant with Cyber Essentials</p>	4	5	20	Treat	<p>Continually Assess and implement new Technology solutions as appropriate to address any changing/new threats</p> <p>Monitor Staff Cyber Security Training and Simulation maturity (09/25).</p> <p>Continually ensure Cyber Security evaluation of partners is undertaken during procurements as part of DDaT playbook.</p> <p>Work with other LGAs and 3rd parties to improve staff awareness of Cyber Security responsibilities.</p> <p>Undertake Cyber Essentials assessment following change of criteria.</p>	3	4	12		Andrew Shilliam	Ongoing	Q1 2026	Jan-18
15	TECHNOLOGICAL	SRR 4.2	Corporate Services - As the Council moves to introduce new technologies (including some AI functionality), there may be unknown impacts that come about as a result of that adoption.	<p>Discrimination & Toxicity</p> <p>Unfair discrimination and misrepresentation</p> <p>Exposure to toxic content</p> <p>Unequal performance across groups</p> <p>Privacy & Security</p> <p>Compromise of privacy by obtaining, leaking or correctly inferring sensitive information</p> <p>AI system security vulnerabilities and attacks</p> <p>Misinformation</p> <p>False or misleading information</p> <p>Pollution of information ecosystem and loss of consensus reality</p> <p>Malicious actors & Misuse</p> <p>Disinformation, surveillance, and influence at scale</p> <p>Cyberattacks, weapon development or use, and mass harm</p> <p>Fraud, scams, and targeted manipulation</p> <p>Human-Computer Interaction</p> <p>Overreliance and unsafe use</p> <p>Loss of human agency and autonomy</p> <p>Socioeconomic & Environmental</p> <p>Power centralization and unfair distribution of benefits</p> <p>Increased inequality and decline in employment quality</p> <p>Economic and cultural devaluation of human effort</p> <p>Competitive dynamics</p> <p>Governance failure</p> <p>Environmental harm</p> <p>AI system safety, failures, & limitations</p> <p>AI pursuing its own goals in conflict with human goals or values</p> <p>AI possessing dangerous capabilities</p> <p>Lack of capability or robustness</p> <p>Lack of transparency or interpretability</p> <p>AI welfare and rights</p> <p>Multi-agent risks</p>	<p>Reviewing AI Policy and Guidance.</p> <p>Utilising already in place processes e.g. DPIA.</p> <p>Ensuring comms are clear and appropriate governance is in-place.</p> <p>Ensure risk assessments are carried out for any existing or new AI.</p> <p>Maintain and ensure human oversight of any AI models implemented.</p> <p>Education of staff on AI.</p>	4	5	20	Treat	<p>Implement technical controls where available to ensure only approved corporate wide AI tools are available and used.</p> <p>Raise awareness and ensure individuals take responsibility of AI in non corporate tools..e.g. single piece of software</p> <p>Continued education of staff on AI.</p> <p>Who is going to oversee what is being produced by the AI, and if it is fit for purpose before release? Service safeguards. DK.</p> <p>How are we to deal with FOIA requests when someone asks about detailed use of AI? DK. This may or may not be the right place for this.</p>	3	4	12		Andrew Shilliam	Review	31/05/2026	Jan-26	
16	TECHNOLOGICAL	SRR 4.3	Corporate Services - Data loss occurring from staff behaviours presents information governance challenges.	<p>Insider Threats where potentially disgruntled staff or disciplined staff obtain data for malicious activity or personal gain.</p> <p>Physical threats where data is lost through hardware or loss of equipment e.g. unencrypted memory sticks.</p> <p>Human error where unclassified data is shared by accident.</p> <p>Loss of data due to a cyber threat/incident.</p>	<p>Utilise existing tools to prevent DLP where possible, noting we are limited to what we can implement.</p> <p>Utilise existing comms channels to raise awareness across the organisation.</p> <p>Managing risk through assessments.</p>	4	5	20	Treat	<p>Investigate what tools are available to support implementing controls and associated costs.</p> <p>Information Governance to consider implementing a data classification scheme corporately.</p> <p>Improve the retention and disposal of data that no longer has business value or has exceeded its retention period.</p> <p>Managing risk through assessments.</p>	3	4	12		Andrew Shilliam	Review	31/05/2026	Jan-26	

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RISK REF	RISK THEME / CATEGORY	LINK TO STRATEGIC RISK	RISK What is the problem, what is the cause, what could go wrong? What is it that will prevent you from achieving your objectives?	CONSEQUENCE/EFFECT: What would occur as a result, how much of a problem would it be, to whom and why?	EXISTING ACTIONS/CONTROLS What are you doing to manage this risk now?	RISK SCORE			RESPONSE STRATEGY / ACTION Select from the 4Ts (see Process worksheet for definitions and further guidance): Tolerate, Treat, Transfer, Terminate	FURTHER MANAGEMENT ACTIONS/CONTROLS			RISK OWNER	TARGET DATE	DATE ADDED TO ORR	
						Impact	Probability	Risk		Impact	Probability	Risk				
17	TECHNOLOGICAL	SRR 1.1	Impacts that fall out of the LGR	<p>Merging two or more councils means untangling a web of disparate systems, applications, and infrastructure. Unlike a standard private-sector merger, LGRs carry the non-negotiable responsibility of maintaining statutory services. Council tax collection, social care case management, and waste services cannot simply be paused. The risk of service disruption, data loss, and budget overruns is significant.</p> <p>The complexity often manifests in several key areas:</p> <p>Multiple core systems: Each council will have its own finance, HR, and housing systems. These may be from different suppliers, running on different versions, or be heavily customised, making direct integration difficult.</p> <p>Disparate contracts: We potentially will inherit a portfolio of supplier contracts for everything from telephony and network connectivity to software licences. These will have different renewal dates, service levels, and break clauses, creating a complex supplier management puzzle.</p> <p>Legacy technology: One of the biggest risks is underestimating the complexity of legacy systems. Many councils still rely on older, on-premises solutions that are difficult to support, secure, and integrate with modern cloud services. These systems often hold decades of critical public data.</p> <p>Cultural differences: Ways of working, IT policies, and user expectations can vary significantly between councils. Forcing a single new model without careful change management can lead to resistance and productivity loss.</p> <p>Cyber Security: can be overlooked in the early planning stages, but is a critical area to get right to ensuring continuity in : protecting data, maintaining compliance, and service continuity are essential throughout transition</p>	<p>Preparing early and having the right safeguards in place can make the difference between a seamless reorganisation and long-term issues that are costly to fix. Clearly, the initial planning stage is critical to any successful transition and requires a robust framework. A successful transition depends on acknowledging these challenges from day one and building a robust framework with a clear eyed view to manage them under a structured approach to navigate any transition, minimise disruption, and lay the groundwork.</p> <p>Attending DDaT LGR meetings Monthly with other councils for sharing/lessons learnt etc and also accessing toolkit they are compiling. Experiences discussed at the LGR DDaT Network meeting included One Website for all, new phone numbers and bringing the smaller Councils onboard or not. Integrating Customer Contact Systems (it would seem that a lot of councils use Netcall). Integrating Telephony systems or not. Many councils are now using or wish they had used LocalGov Drupal (we go live with this 6th Feb)</p>	4	5	20	Treat	<p>A crucial early step is creating a comprehensive inventory of all IT assets, contracts, and systems across the resulting merging councils. This 'as-is' analysis provides the baseline for all future planning including the creation of a fallback strategy for resilience (eg ensuring mitigations are in place covering the below as a minimum;</p> <p>-What happens if a system migration is delayed?</p> <p>- How will staff access critical data if the new network isn't fully operational</p> <p>-A clear plan for system fallback, data archiving, and temporary workarounds is non-negotiable.</p> <p>Agree governance Structure responsible for and to include:</p> <p>Setting a clear vision: Defining what the future IT environment will look like and how it will support the new unitary authority's strategic objectives.</p> <p>Establishing milestones: Breaking the transition down into manageable phases with clear, measurable outcomes. This allows for progress tracking and helps maintain momentum.</p> <p>Managing risk: Proactively identifying and mitigating risks related to service continuity, data integrity, and security.</p> <p>Stakeholder communication: Keeping staff, councillors, and service users informed throughout the process to manage expectations and build confidence.</p> <p>A systematic approach to contract review is vital. This involves:</p> <p>Auditing all contracts: Creating a central repository of all IT-related contracts, noting renewal dates, costs, and service-level agreements (SLAs).</p> <p>Identifying overlap: Pinpointing where multiple councils are paying for similar services.</p>	3	4	12	Andrew Shilliam	Review 31/05/2026 Ongoing	Jan-26
18	ECONOMIC	SRR 2.3	Corporate Services - Loss of Income Opportunities Commercial arrangements such as trading with schools are lost due to heightened market competition, rising costs and therefore increased prices, and due to a lack of staff resources and expertise to undertake marketing and business development. The withdrawal of specific LCC traded services could create angst amongst 'customer base' and reduce appeal of other services. Our reduced shopping basket of services provided to schools puts the remaining services at greater risk when it comes to other providers who may be able to provide multiple services.	<p>Reduced income opportunities against increasing budget pressures.</p> <p>Loss of available budget reallocations from the centre e.g. HRA.</p> <p>Reputational damage.</p> <p>Requirement to reduce headcount if service discontinues or reduces and potential associated costs of redundancy etc.</p> <p>Possible impact on the schools / Council relationship, which leads to greater appetite in schools to move away from our schools family.</p>	<p>- Business development manager formally working on the City Catering offer now focused on improving our arrangements re the HR offer to schools.</p>	4	4	16	Treat	<p>Competitive analysis required of our HR traded services around model, price point, feedback/satisfaction, opportunities for further trade etc.</p> <p>Explore joint trading/account management arrangements - ensure that relevant functions continue to focus sufficiently on income opportunities and business development.</p> <p>Refocus our traded services into a key package/offer of 'support' that includes both services that we have to charge for and other services that they receive (at our cost) that are provided by LCC.</p>	4	3	12	Andrew Shilliam	Q1 2026 Sep-22	
19	ECONOMIC	SRR 2.3	Corporate Services - Ongoing Budget Pressures and Savings Impacting on Service Delivery Division unable to meet future level of savings required. The level of future savings required leads to unsustainable services/loss of services and support to the organisation impacting on the ability of the Council to operate effectively, lawfully and deliver particularly on its statutory obligations. Financial position of the Council and local government more generally will add increased pressure on the need to make substantial savings and therefore consequent impacts of this along with the impacts of the wider cost of living crisis and a weak national economy	<p>- Unable to generate additional income, e.g. via trading with schools to help sustain budgets. Potential for a significant budget income gap.</p> <p>- Savings are not delivered, division overspends and puts pressure on corporate budgets</p> <p>- Statutory requirements are not met resulting in risks to service users and legal/reputational issues</p> <p>- Impact on the quality and levels of services being provided.</p> <p>- Impact on staff health and wellbeing.</p> <p>- Vacant posts are not appointed, increasing pressure on the existing workforce</p>	<p>Divisional outturn continues to report an underspend for 2025/26 for majority of the division with the, and vacancies being held/recruitment being appropriately controlled in the main divisional service areas - HR, DDaT, Comms & Engagement, and Customer Services.</p> <p>New structure at the management level of HR created, which creates a leaner top tier.</p> <p>Recruited a new Communications and Engagement Manager internally, who will prioritise the organisational review required in service.</p>	4	4	16	Treat	<p>1:1 discussions around specific cost centres required, and opportunities to drive further reductions in mainly non-staffing expenditure as well as opportunities to increase income.</p> <p>Competitive analysis of HR traded service.</p>	3	3	9	Andrew Shilliam	Q1 2026 Sep-22	
20	ECONOMIC	SRR 2.3	Corporate Services - Technology Costs: Potential shortfall of IT OpEx Revenue fundings to cover increasing costs of IT licensing, support and services in light of WoW, a migration to consumption-based licencing and cloud platforms	<p>- A need to review service provision and potentially reduce the functionality and scope of services e.g. laptops versus desktops, reduced cyber security capabilities.</p>	<p>Reprofiling services funded from reserves into Revenues to provide forecasts.</p> <p>Worked with Finance to profile Reserves against anticipated spend.</p> <p>Consideration of funding options as part of medium-longer term budget planning.</p> <p>Reviewed options to rationalise MS licence estate.</p> <p>Implement role-based profiling for devices.</p> <p>Implemented zero-usage mobile phone policy.</p> <p>Created Capital Bid forecasting plan.</p>	5	3	15	Treat	<p>Consider a shared costing model to recharge services for new platform-based services.</p> <p>Rationalise and consolidate systems using Net call Libert platforms.</p> <p>Introduce role-based profiling.</p> <p>Force services to give up DD telephone lines.</p>	4	3	12	Andrew Shilliam	Ongoing 31/05/2026 review	May-24
21	LEGAL	SRR 1.1	Corporate Services - Impacts Arising from Future Legislation 'Martyn's Law' - Council is unprepared to respond to the potential requirements of forthcoming legislation related to counter-terrorism and therefore fails in the duty to protect people	<p>- LCC fails to respond effectively to a terrorist attack and places staff and public lives in danger</p> <p>- LCC services which fall under the scope of the requirements are unprepared and could be subject to enforcement</p> <p>- Additional cost implications and pressure on budgets</p> <p>- Reputational impacts</p>	<p>A number of services have already embedded a range of actions including Planning in relation to relevant major development schemes and DMH in terms of staff preparedness and risk assessments.</p> <p>Internal PROTECT and PREPARE group meetings ongoing which own the implementation of Martyn's Law, and are facilitated by the REBR Team Manager.</p> <p>1:1s conducted with all Service Areas to confirm likely in-scope premises and events and policy changes.</p> <p>Implementation plan publishes with governance arrangements.</p>	5	3	15	Treat	<p>Awaiting SIA guidance before completion of Martyn's Law Health and Safety Management Statement to include responsibilities, training and audit arrangements.</p> <p>Embedding likely training products within LCC IT structures to enable better recording of online national training.</p> <p>Target date provides 3 months to confirm compliance prior to legislation becoming live</p>	5	2	10	Andrew Shilliam	Ongoing Dec 26	Jan-23
22	TECHNOLOGICAL	SRR 4.1	Finance - Unit 4 Finance System Implementation	<p>The council does not have a finance system that enables, payments, collection of debt, reporting or has sufficient controls.</p>	<p>1. Full project in place for Re-implementation</p> <p>2. Project Managers appointed</p> <p>3. Timeline in place, and full communication across the service 4. Governance structure</p>	5	3	15	Treat	<p>Continuous review against the project plan and oversight of the project.</p>	3	2	6	Amy Oliver	Ongoing 01/04/2027 review	Sep-25
23	POLITICAL	SRR 1.2	Legal - Workloads & Pressure - Client Care Services within the Council are stretched with increased demands and pressures. Unrealistic deadlines at times can be set for major projects, procurement and contracts. There is a concern that whilst corporate policy is correct and general awareness of correct procedures/rules exists, it may not be implemented effectively within services.	<p>- Timely legal advice from clients not sought.</p> <p>- Failure to comply with laid down guidelines.</p> <p>- Breach of regulations or law e.g. data protection.</p> <p>- Council found to act unlawfully</p> <p>- Challenges to procurement processes.</p> <p>- Cost implications from requirements not being followed/deadlines being missed/ not delivering value for money for Council.</p> <p>- Award made against council etc.</p> <p>- Staff demotivated</p> <p>- Negative Press/Reputation of Council</p>	<p>- Reviewing practices to be improve flexibility of approach.</p> <p>- Channel Shift.</p> <p>- Raising awareness - corporate messages.</p> <p>- Early engagement - feeding into deadlines.</p> <p>- Attending project boards.</p> <p>- Projects to look at new ways of working.</p> <p>- Improved use of technology e.g. Electronic Signatures/Virtual Hearings.</p>	4	4	16	Treat	<p>- Review of practices.</p> <p>- Increase comms program/training and awareness of current practices (deadlines with project plan).</p>	4	3	12	Kamal Adatia	Ongoing 31/05/2026 review	Jan-19
STRATEGIC AREA - Social Care and Education																
24	ECONOMIC	SRR 2.2	Children's Social Care and Community Safety - Workforce - availability Diminishing availability of experienced skilled social workers	<p>- National shortage of qualified SWs impacting on local recruitment; recruitment challenges in other specialist roles e.g. psychiatrist, youth justice officers etc:</p> <p>- Increased reliance on agency staff to fill vacancies</p> <p>- Increased SW case loads</p> <p>- Increased budget pressures;</p> <p>- Lack of continuity of staff in roles</p>	<p>- Developing a workforce recruitment and retention strategy including international recruitment</p>	4	5	20	Treat	<p>ASYE Programme Apprenticeship Programme</p> <p>Grow our own Programme</p> <p>International Recruitment Phase 2; Frontline programme; Career progression scheme</p>	4	3	12	Damian Elcock	Ongoing 31/10/2026 review	May-22
25	POLITICAL & LEGAL ECONOMICAL	SRR 1.1 SRR 1.2 SRR 2.3 SRR 5.1	Education, SEND and Early Help Impact of post-16 SEND transport policy implementation following consultation and decision making	<p>Possible risk to life/reputational damage to the council/significant financial impact/legal challenges.</p> <p>Parents may not understand when they can apply if the policy has to change again. If the policy is challenged the overspent budget could contribute to s114 risk.</p> <p>Judicial review likely and may mean policy implementation is paused. Increase in parent complaints.</p>	<p>Current review of policy with review of independent travel training sufficiency to follow. System procurement to promote efficiency. Stakeholder communication re consultation and barrister guidance obtained. Policy now published and due to be implemented in next academic year unless prevented by JR.</p>	4	4	16	Treat	<p>Plans to mitigate and limit impact in place and considered in the planning stages. Most likely consequence is legal challenge.</p>	4	2	8	Sophie Maltby	Ongoing 31/05/2026 review	Jan-25
STRATEGIC AREA - Public Health																
26	TECHNOLOGICAL	SRR 4.1	Data LA requirements for data often not understood by external providers/national governing bodies which can cause delays in Information Sharing agreements or restrictions in data flows into public health for information required to deliver objectives. Self reported data that is difficult to verify for activity based contracts leads to uncertainty over financial position and potential over payments Updated NHS Patient Safety Incident Reporting Framework is incompatible with LLR Serious Incident Reporting Protocol negatively impacting data availability and workflow surrounding reporting of incidents. Risk that we lose sight of incidents / cases and are unable to assess provider quality and contract performance adequately. The English Devolution White paper which details the development of new Strategic Authorities and Mayoral responsibilities will involve reorganisation of local government, which may result in boundary changes which will impact Public Health Data sets. Interruption / unsuccessful in gathering local data and intelligence on the Health and Wellbeing of the local population via routine Health and Wellbeing Surveys because of timeliness of procurement of service.	<p>- Delay or complete stoppage in obtaining information will restrict understanding of the local population characteristics, health outcomes and health inequalities required to make timely decisions for service users. This may result in outdated data that is not useful for commissioning and partnership work.</p> <p>- Distress to service users</p> <p>- Reputational damage to LCC</p> <p>- Potential financial burden or incorrect overspend for activity</p> <p>- Potential litigation claims for failure to deliver</p> <p>- Increased stress on LCC staff</p> <p>- Difficulties in workload management and timely production of existing reports and statutory functions as well as making capacity management difficult.</p> <p>- Impact on service delivery and response agility</p> <p>- Reduced data provision and indicators potentially being missed or identified later than they may have been delaying (or preventing) mobilisation.</p> <p>- Negative impact on our ability to both proactively and reactively manage NHS providers that we commission to deliver services due to reduction of oversight and visibility of issues arising in NHS providers for all of public health / LCC. Analysis and ongoing management of service quality is severely hampered without insight or access to incident data.</p> <p>- Obfuscation and extension of timelines for responses and investigations into serious incidents increase the likelihood of unsatisfactory outcomes for users as well as increased waiting times</p> <p>- Delay in gathering local intelligence and information via a local health and wellbeing survey. Unable to pursue new topics of interest. Potential budget implications if service needs to be carried into next financial year</p> <p>- Boundary changes will have data collection, analysis and trend implications, both locally and for online data sources. Data sets will require re-working to fit new boundaries.</p>	<p>- Work-around arrangements in place with key organisations to share basic information</p> <p>- Working with wider network of organisations to establish data sharing protocols and file transfers</p> <p>- Engagement with information governance to ensure that any risks of data sharing are identified and managed.</p> <p>- Increased relationship building and engagement across system partners</p> <p>- Continued close communication and engagement with Integrated Care Board / Leicestershire Health Informatics Service (LHIS) regarding the issues surrounding data availability and access.</p> <p>- Data sharing agreement recently secured with LHIS that will allow for direct access to anonymised GP data in order to better track performance and volumes. This is currently embedding with positive results on the payments aspect in terms of accuracy and assurance. Data streams for performance analysis are still being assessed to ensure accuracy and are expected to be available for use in the near term. An independent audit is underway to assess these workflows and processes.</p> <p>- Close working relationship with IT, procurement, and information governance to establish and maintain data sharing agreements with services external to LCC</p> <p>- Additional resource added to data function</p> <p>- Close working relationship with LPT as 0-19 provider with the aim of maintaining adequate management oversight with visibility of reports and attendance of weekly oversight meetings. Additional agreements have been built into the new Section 75 agreement with LPT to ensure robust governance is in place around serious incidents. This has been signed off by the Public Health Clinical Governance Group.</p> <p>- Close working with the successful provider and understanding of timeliness of delivery and suitability of fieldwork period.</p>	4	5	20	Treat / Tolerate	<p>- Ongoing engagement with information governance and partners to resolve existing and arising issues</p> <p>- Undertake an exercise to identify all organisations and data needs and perform gap analysis</p> <p>- Ongoing horizon scanning of other services where NHS Patient Safety framework changes could become an issue (potential to effect all NHS services and generate complications when commissioning procurement of new services).</p> <p>- Continue to work with providers to understand implications of NHS Patient Safety framework changes on services, and liaise with multi-agency partners to plan a way of managing this. Continued close contractual oversight with LPT to ensure current level of visibility for 0-19 contract is maintained</p> <p>- Agree a corporate LCC stance on NHS Patient Safety framework changes</p> <p>- The risk is scheduled for review by Public Health DMT prior to the April 2026 submission.</p>	5	3	15	Rob Howard	Review by 31/03/2026	Sep-22

RISK REF	RISK THEME / CATEGORY	LINK TO STRATEGIC RISK	RISK	CONSEQUENCE/EFFECT:	EXISTING ACTIONS/CONTROLS	RISK SCORE	RESPONSE STRATEGY / ACTION	FURTHER MANAGEMENT ACTIONS/CONTROLS	TARGET SCORE	COST	RISK OWNER	TARGET DATE	DATE ADDED TO ORR			
			What is the problem; what is the cause; what could go wrong? What is it that will prevent you from achieving your objectives?	What would occur as a result, how much of a problem would it be, to whom and why?	What are you doing to manage this risk now?	Impact Probability Risk	Select from the 4Ts (see Process worksheet for definitions and further guidance): Tolerate, Treat, Transfer, Terminate		Impact Probability Risk							
27	SOCIO-CULTURAL	SRR 3.2	<p>Health Protection</p> <p>Public health protection capacity is limited to a consultant lead and single infection prevention control specialist (IPC). Three additional staff members (TB, screening and immunisation) are on temporary short term contracts using external time limited funding. The IPC role remains a single point of failure and is currently the only IPC support provided for care homes in the city. Projection for TB rates show an increasing trend and Leicester currently has the highest rates in England.</p> <p>Screening and immunisation uptake in Leicester is generally significantly lower than the national average and is a key contributor to health inequalities within the city. Vaccine preventable disease outbreaks continue to occur, particularly in areas of deprivation. ICB funding for both TB and screening and immns inequality work in the future is highly likely to be cut and/or managed regionally rather than locally. The lack of a permanent health protection team within the council impacts on a) our ability to respond to infectious disease outbreaks - working with our communities and local schools, driving up vaccination uptake, providing IPC support and advice to care homes and the care sector; b) improving the standard and quality of IPC procedures in the care sector; c) develop meaningful and ongoing relationships with our communities to address vaccine hesitancy, low vaccination and screening uptake; d) work with communities and organisation stakeholders to raise awareness and knowledge, and reduce stigma around TB and so increasing access to testing and treatment; e) be prepared and have capacity to deal with a potential future pandemic.</p> <p>Low vaccination uptake increases the risk of future disease outbreak.</p> <p>Low screening uptake widens inequalities around late cancer diagnosis and treatment.</p>	<ul style="list-style-type: none"> -Widening inequalities including increased vaccine preventable disease outbreak, increased TB rates, increased late cancer diagnosis and treatment. -Reduced ability to respond adequately to disease outbreaks leading to increased transmission and health impacts on the population. Reputational damage to the authority if outbreaks are poorly managed. -IPC service objectives unable to be met leading to increased risk of outbreak in vulnerable settings, increasing potential for individual harm, reduced IPC standards leading to poor quality care and reputational damage to the authority. Pressure on sole member of staff to provide an unreasonable level of cover for one person. -Ongoing and increasing vaccine hesitancy and mistrust in health systems reducing access to treatment for TB. -Significant operational impact on division in the event of a scenario comparable to Covid 19. -Potential serious impact on health and wellbeing of whole population, particularly those most vulnerable -Static or widening health inequalities -Needs increase over the longer term as a result of secondary impacts requiring increased (and sustained) resource and budget to tackle 	<ul style="list-style-type: none"> -Continued efforts to source additional funding to maintain a health protection team within the authority. -Close working relationships with system partners including UKHSA and the ICB to pool resources where appropriate; use of internal resources including teams within public health (eg community wellbeing champions) and within the authority (eg comms and social care). -Support/supervision of IPC staff member to manage workload; service objectives set within context of limited capacity. Training offered to social care staff to increase IPC knowledge. -Monitoring of at risk health areas to determine level of future need. -Regular training offered to all public health staff to increase health protection knowledge. -Horizon scanning to be aware of potential future health protection risks. -Governance structures in place for assurance and monitoring via LLR Health Protection Board. -Building relationships with Secondary Care to audit risk factors, and delivering prevention focused campaigns in the community. 	5	4	20	Treat	<ul style="list-style-type: none"> - Continue with existing controls - Increase capacity of HP team to enable more robust resilient response to current and emerging issues - Review workplans in light of likely cuts to ICB. - The risk is scheduled for review by Public Health DMT prior to the May 2026 submission. 	4	3	12	Rob Howard	Review by 31/03/2026	Jan-23
28	ECONOMIC	SRR 2.3	<p>Budget</p> <p>Reductions to the Public Health Budget means operating within increasingly tight financial envelopes. Continued reductions could force termination of services to ensure priority services remain available.</p> <p>If the authorities financial position continues to degrade then increasing financial pressures contribute to the likelihood that increased levels of funding are taken away from the public health -budget to support general council budgetary pressures.</p> <p>Uncertainty over non-recurrent or unconfirmed recurrent funding coupled with ambitious targets leads to reduced delivery and higher probability of project failure. Long term sustainability of initiatives is brought into question meaning economies of scale or efficiencies derived from long term planning cannot be capitalised on.</p>	<ul style="list-style-type: none"> - Public health non-statutory programmes are reduced in size or allocated resource, or closed down altogether creating long term impacts and poorer health outcomes for citizens. This is beginning to present in some areas e.g. tier 2 weight management service has been decommissioned with no replacement provision. - Reputational damage, and reduced credibility and trust of both public health and LCC in communities and voluntary organisations which is difficult to recoup hindering ability to reach specific groups in the city for interventions. - Levels of public health grant diverted to other council areas may draw attention and scrutiny from government and result in an audit of grant spend and possible claw back. - Reduced ability to deal with emerging public health emergencies, uncertainty in our ability to respond flexibly to unpredictable emerging needs and to ensure stability and sustainability of programmes. - Increased demand on other public services (primary or secondary health care / Social Care / Leisure Centres) leading to knock on stress to other council services and budgets - Risk of missing safeguarding issues impacting on council statutory duties resulting in: <ul style="list-style-type: none"> - Serious injury or loss of life - Legal challenge - Severe reputational damage - Potential redundancy costs arising from non-recurrent or unconfirmed funding. - Decisions regarding resource allocation without up to date data may overlook current insights and hinder ability to make precise spending decisions. 	<ul style="list-style-type: none"> - Annual public health return to Central Government to demonstrate appropriate use of grant funding - Portfolio restructure, continual review of landscape and exploration of alternative funding streams to ensure we are positioned to meet upcoming needs - Decisions taken to deprioritise or close certain services in order to meet budgets and savings targets. - Employing new commissioning, monitoring, and delivery model for key services to streamline and identify adverse effects. Public health invite and engage with audit services annually as good practice to identify inefficiencies and areas for process improvement. - Bids for funding being written and submitted across the team as opportunities arise, external funding streams or grants utilised to fullest extent to relieve budget pressures as far as possible. - Internal governance to closely manage budgets and ensure intelligent and planned use of reserves over time to ensure maximum efficacy and sustainability - Political oversight / scrutiny - Identifying and articulating associated risks through spending review process - Clinical Governance Process in place for review of providers, performance, and to sense check direction of travel to ensure optimum delivery quality and value for money - Customer retention plans and actions put in place to reduce subscription cancellations from customers unable to use services which would impact income generation - Strong service / programme planning to cover possible funding scenarios, allowing for adaptions to be made at pace. - Volunteer network being built and grown through community champions workstreams - Budget monitoring discussions are held to track spending, prioritise resources, and identify potential overruns or shortfalls early to enable timely corrective action. - Business cases for use of small PH Grant increase were accepted allowing greater resilience for essential services. 	4	4	16	Treat / Tolerate	<ul style="list-style-type: none"> - Secure additional revenue e.g. income generation through commercial opportunities. - Continue to explore a variety of potential local and national funding opportunities including commercial, government, academic, grant funding. - Investigate creation of a resource to help officers bid for funding with more guidance to increase consistency and success rate - Utilise in kind support / asset sharing where possible - Cross organisational opportunity review of priorities and resources ongoing through partnership programmes and system level board pathways. Public health consultant employed to stimulate engagement throughout and across the system. - Continued engagement and growth of various volunteer networks and community organisations. - Approval of a standard operating procedure by DMT and Clinical Governance Board has enabled Public Health staff to conduct blood pressure testing, helping to bridge budgetary pressures related to hypertension case finding. - The risk is scheduled for review by Public Health DMT prior to the May 2026 submission. 	4	3	12	Rob Howard	Review by 31/03/2026	Pre-2019
29	ECONOMIC	SRR 2.2	<p>Staffing and recruitment - Internal</p> <p>A key risk here is retention of Consultant in Public Health staff. One consultant recently left to take up a post within the NHS, where staff with equivalent qualifications and experience can earn approx. £20k to £30k more per annum.</p> <p>An emerging recruitment crisis across a variety of sectors creates difficulty, both within public health and our commissioned services or system partners, in securing sufficient staff with the appropriate skills and experience to meet public health challenges. This is further compounded by the requirement for staff in certain posts to receive targeted training, which is not necessarily available in line with induction and probation periods. For example, Healthy Conversations Programme Officers are required to hold an HCS training qualification, which is only available once a year.</p> <p>Unsuccessful recruitment or approval to recruit delays for existing and new posts places capacity and timeframe pressures on ongoing delivery and rollout of new initiatives that would benefit from proceeding at pace.</p> <p>In addition key staff retiring, going on maternity leave, leaving the division or moving into new posts within the division creates disruption, the risk increases if there are multiple departures simultaneously. Potential risks to wider public health aims or outcomes if there are significant losses in other LCC service areas.</p> <p>Capacity increase within the public health division is being outpaced by the broadening of scope and increased need that is resulting from current societal context - this is exacerbated by financial pressures and difficulties in recruitment.</p> <p>LCC Pay Scales pay less for professional posts than other LAs in their region. This means that flight to authorities that pay more is also a real risk. e.g. Northants lead commissioner earns £12k p.a. more than LCC. PH manager in Notts earns £10k p.a. more.</p>	<ul style="list-style-type: none"> - This is currently presenting with a number of senior roles being vacated and needing to be filled creating capacity and continuity pressures. While our existing plans, investment into staff and wider training, and support networks have significantly lessened the impact gaps in post are creating additional pressures. - Increased demand on remaining capacity impacting on team morale. The health and wellbeing of existing staff is impacted resulting in individual burnout or increased staff turnover. - Loss of key specialist skills, knowledge and expertise, and working relationships that are very difficult to replace due to national shortage of skilled workers - Significant loss of capacity means programme targets are delayed or not achieved, or need to be revised downwards to match ability to deliver. - Cover for posts splits capacity between existing workstreams negatively impacting both: <ul style="list-style-type: none"> - Backfilling posts on a fixed-term basis offers less stability than permanent cover. - If demand and workloads are consistently high for extended periods existing staff do not gain a breadth of public health experience. This could result in an under skilled workforce, or increased turnover as further development is sought after by individuals (with associated difficulty in sourcing adequate replacements for posts). - Negative impacts on delivery of work and an inability to meet emerging objectives of individual services as well as divisional strategic objectives. - Reduction in ability to front run issues and adequately assess complex situations before being required to act. - Loss of in-year funding available if staff / initiatives cannot be put in place in a timely fashion. - Delay in advertising / filling vacant posts exacerbating capacity issues - Gap in leadership / delivery of public health functions - Capacity issues may lead to elements of work being deprioritised. - Potential loss of staff with significant experience, skills and knowledge. - Capacity remains impacted until staff are trained and hold the specific qualifications required for their role. 	<ul style="list-style-type: none"> - Close management and oversight of individual workloads and projects - General training and development opportunities and organisational development utilised - Upskilling team - public health supporting staff to undertake a Masters in Public Health and for staff to follow work based public health training pathways - Specific courses identified and allocated to appropriate staff. Mandatory and suggested training framework created and rolled out across the team. Reviewed and managed across the division to ensure all staff are in compliance with minimum training requirements and are encouraged to develop skills and knowledge as required. - Early identification of potential staffing needs / vacancies with early engagement with HR to ensure timeframes to recruit are sensible - Capacity in across the team increased and analysis of need ongoing. - Team restructure undertaken to more efficiently redistribute capacity and portfolios - Increased team awareness at all levels of importance of self care, with support offered necessary. Ongoing team building events / exercises in place to aid wellbeing and an internal pastoral support scheme has been implemented to ensure support pathways are available to those who require it. - Recruitment concerns escalated - Contracts staff are being trained and developed across the whole Public Health portfolio in order to reduce single points of failure and reduce impact of staff loss. This approach is also encouraged across commissioning teams. Handover plans are being developed for the HIAP portfolio. - Ongoing development of the PH workforce development action plan to provide high quality internal divisional opportunities for learning and professional and career development to support retention of staff - Review options to replace the market supplement arrangements for Consultants in Public Health (the only staff in the council on these supplements according to the Pay report 24/25) with an appropriate alternative grade that recognises the highly trained and specialist nature of these roles. 	4	4	16	Treat	<ul style="list-style-type: none"> - Continual audit of needs and skills against public health key skills framework to identify and fill key knowledge and skills gaps across division - Produce a public health workforce strategy including succession planning. Task and Finish group working on this and we are linking in with regional and national Public Health workforce planning initiatives. - Business continuity plan review and update regularly scheduled to ensure succession planning and key staff availability plan is adequate. - Ongoing identification of single points of failure and planning / documentation to mitigate risk of project lead unavailability - Consideration within service plans for posts and building in long time scales for recruitment as standard practice to be considered in forward planning - Continued monitoring of capacity needs and fixed term recruitments to mitigate issues where appropriate - Continued focus on employee wellbeing and provision of adequate support where necessary - Centralising of important data and guides detailing workflow processes ongoing to minimise impacts of loss of key staff and knowledge and to increase pace of training new staff. - Partnership working with DMU has provided temporary additional support through an acting-us Consultant, who brings valuable expertise to the department. - The risk is scheduled for review by Public Health DMT prior to the May 2026 submission. 	4	3	12	Rob Howard	Review by 31/03/2026	Sep-21
30	ECONOMIC	SRR 2.2	<p>Staffing and Recruitment - External</p> <p>A national skill shortage and recruitment crisis in conjunction with Leicester being a challenging area in comparison to neighbouring areas creates difficulties in securing appropriately trained professionals within commissioned services and / or partner organisations - in particular Public Health Nurses and Health Visitors, as well as sexual health specialists.</p> <p>Disruption to workforce of NHS or other partners due to strikes or industrial action.</p> <p>Significant staff loss coupled with recruitment difficulties within commissioned services reduce capacity to the extent that statutory functions or contractual terms are not adequately maintained.</p> <p>Providers struggle to maintain staff levels due increasing payroll costs and budgetary pressures.</p> <p>ICB has to reduce running costs by approx. 30% which will likely result in substantial redundancies. This will have an impact on the reach of public health projects, prevention and health inequalities as there will be fewer people in the ICB to work on these areas.</p>	<ul style="list-style-type: none"> - Impact on front line service delivery of statutory functions - Knock-on impact on capacity and ability to deliver of non-participating staff impacted by strike action - Negative impact on service users - The ability of our commissioned services to provide adequate safeguarding is reduced, leading to an increased risk of support needs not being identified or met, or an increase in likelihood of serious incidents occurring - This could also present a risk of increase to the likelihood of serious incidents occurring leading to: <ul style="list-style-type: none"> - Serious injury or loss of life - Legal challenge - Severe reputational damage - Increased strain on existing staff leading to increased turnover, loss of embedded knowledge and experience, and fatigue impacting quality of work. Risk of entering a negative feedback loop (pressure causes staff loss, staff loss causes further pressure etc) further increasing difficulties in securing trained professionals 	<ul style="list-style-type: none"> - Close monitoring and communication with commissioned services by Lead Commissioners and Group Manager - Scrutiny and support from contract management team - Commissioned children's service has introduced a skill mix framework to alleviate Health Visitor pressures whilst maintaining adequate safeguarding. This involves splitting post duties and allocating less skilled work to appropriate staff to ease pressure on caseloads and health visitors. - Ongoing work to make Leicester a more attractive location for Health Visitors to attract and retain skilled workers. - Providers to be queried over planned response specifically around occurrence of strike action and widespread loss of staff and holding of adequate BCP's to manage incidents. How will delivery be maintained / how will affected service users be captured and engaged etc. 	4	4	16	Treat / Tolerate	<ul style="list-style-type: none"> - Continual oversight of supplier business continuity plans and engagement on current pressures / concerns - Continual internal public health business continuity plans review ongoing with consideration given to response in the event of risks presenting - Ongoing close monitoring of suppliers and skill / workforce concerns - Supplier business continuity plans audit to be undertaken in rolling fashion - The risk is scheduled for review by Public Health DMT prior to the May 2026 submission. 	4	3	12	Rob Howard	Review by 31/03/2026	Jan-22
31	ECONOMIC	SRR 2.3	<p>Commissioning</p> <p>Reduced budget for services impacts on financial viability to suppliers at the tender stage who may deem package to be unviable leading to a lack of bids reducing competition or tender falling altogether. Suppliers may also not bid on tenders due to staff / skill shortages leaving them unable to meet requirements. This is exacerbated by tight financial envelopes and increased costs due to inflation.</p> <p>In the context of increasing costs and reduced or static budgets, providers have raised concerns about the limited budget available for contract extensions, and could become unsustainable without an uplift or adjustment to the funding received from public health. In conjunction with the below concerning partner organisations and Risk 8 this increases the likelihood that suppliers will serve notice on contracts or be unable to deliver.</p> <p>Services commissioned on activity based contracts are difficult to predict in times of uncertainty and risk under / over provision each of which come with financial and logistical challenges and risks.</p> <p>Partner organisations we joint commission with are restructured or undergo a change in policy resulting in changes which negatively impact our work / agreements or ability of supplier to deliver services. Partners opting to leave or disengage from working agreements adds additional pressures to teams and services.</p>	<ul style="list-style-type: none"> - Providers could become unsustainable and serve notice on contracts without an uplift or adjustment to the funding received from public health. Loss of existing contractors due to inability to reconcile increased costs within static or reducing financial envelope. - Failed tenders. Capacity required to assess and alter the specification / tender and go to market again. Disruption to, or reduced / ceased delivery of statutory services. Potential legal and governance implications for LCC if delivery ceased. - Dependence on service, retendering may be extremely difficult given the increased complexity of the landscape as well as the budgetary and time constraints we would be under. Risk of being without a service which would come with legal / governance implications, or having to pay inflated costs for interim delivery. - Our offer may not be attractive to new providers during tenders creating a risk of failed procurement or reduced competition and sub-optimal suppliers being awarded contracts to fulfil needs leading to sub-standard delivery - Loss or alteration of service provision and impact on community who require service leading to poorer outcomes, increased sickness rates and impact on NHS as demand increases for other services - Decreased morale and reputational damage to LCC - Funding gap leads to other programmes needing to be terminated to balance the budget. Immediate reduced provision and range of services to city residents with unknown long term impacts. - Underspend result from reduced activity that do not reflect underlying / actual budget pressures that will resume when pre-existing baseline is re-established. Budget is reduced or removed based on lower activity costs creating business critical issues when this occurs - Increased costs due to reduction in economy of scale due to moving from a joint to solo re-procurement 	<ul style="list-style-type: none"> - Strong forward planning, bespoke procurement methods, and robust internal governance - Clinical governance board in place for improved oversight and robust governance framework to ensure that commissioned services are robustly reviewed and monitored. - Performance review group provides oversight, early issue identification, and escalation process - Both of the above boards are having ToR and framework re-assessed to ensure optimal oversight of services - Lead Commissioners and contracts team within Public Health undertake regular performance and quality reviews with continual engagement and communication with providers and partners - Timely briefing of lead members to highlight potential risks and consequences - Expertise within team to assess choices, identify and profile future need in a proactive fashion, and inform management briefings / options appraisals - Advocacy by LCC Director of Public Health with national bodies - Provider negotiations - providers have continued to be paid regardless of performance due to the pandemic to ensure the suppliers (and the wider delivery chain) stay afloat - Based on joint analysis between the sexual health service provider (MPFT) and public health regarding financial pressures, continuity funding at 100% of the contract value will be issued and services amended to ensure viability and effective delivery, particularly to identified vulnerable populations. Additional monitoring and ongoing analysis will continue to be conducted. - Close working with internal departments (legal / procurement / contract management / finance) - Services jointly commissioned where possible / appropriate to increase efficiencies relating to economies of scale and cross border activity as well as available resource to mitigate issues - Relationships built and maintained with partnership organisations to retain collegiate working environment and aid flow of information. Public health consultant employed to stimulate engagement throughout and across the system. - Supplier business continuity plans review and audit ongoing to ensure continual sight of level of supplier resilience. Internal audit of this area by County colleagues is ongoing. 	4	4	16	Treat / Transfer	<ul style="list-style-type: none"> - Continue with existing controls; - Continue to joint commission where appropriate (internal with LCC, and external with county and regionally) - Continued exploration of new and novel approaches to commissioning including encouraging consortium applications and use of section 75 - Continued monitoring and increased engagement of suppliers to pre-emptively identify potential issues - Regularly review Business Continuity Plans to ensure minimal service disruption in the event of supplier failure. - Use of small PH Grant increase to support and mainstream existing programmes could mitigate risk significantly. - The risk is scheduled for review by Public Health DMT prior to the April 2026 submission. 	4	2	8	Rob Howard	Review by 31/03/2026	Pre-2019

Item 6

Regulation of Investigatory Powers Act 2000 Bi-Annual Performance Report July 2025 – December 2025

Governance and Audit Committee

Decision to be taken by: Committee Members

Date of meeting: 16 March 2026

Lead director: Kamal Adatia

Useful information

- Ward(s) affected: All
- Report author: Vanessa Maher-Smith – Principal Lawyer - Information Governance & Risk and Data Protection Officer
- Author contact details: vanessa.maher-smith@leicester.gov.uk
- Report version number: 1.0

1. Summary

- 1.1 The report advises on the performance of the Council in authorising Regulatory Investigation Powers Act (RIPA) applications from 1st July 2025 to 31st December 2025

2. Recommended actions/decision

- 2.1 Receive the Report and note its contents.
- 2.2 Make any recommendations or comments it sees fit either to the Executive or to the City Barrister and Head of Standards.

3. Scrutiny / stakeholder engagement

N/A.

4. Background and options with supporting evidence

- 4.1 The Regulation of Investigatory Powers Act (RIPA) enables the Council to use covert surveillance; covert human intelligence sources (CHIS); and the acquisition of service use or subscriber information in relation to communications data in a manner that is compatible with Article 8 of the European Convention on Human Rights governing an individual's right to respect for their private and family life, home and correspondence.
- 4.2 There are various criteria which must be met, including a 'seriousness threshold' for the use of directed surveillance, and any requests by the Council to use the RIPA powers must be approved by a Magistrate, under the current legislation.
- 4.3 The Council has applied for 0 Directed Surveillance Authorisation and 0 Communications Data Authorisations between 1st July 2025 and 31st December 2025.
- 4.4 The Council has submitted its annual data return for 2025 to the Investigatory Powers Commissioner's Office.
- 4.5 As part of the Council's continued compliance with RIPA, key officers across our Regulatory Services, Corporate Investigations Team, CCTV Team as well as authorising officers undertook training in 2025. Whilst the Council doesn't actively use its powers under RIPA, it's necessary for officers to be aware of the requirements.

4.6 The Council continues to ensure compliance with RIPA as set out above.

5. Financial, legal, equalities, climate emergency and other implications

5.1 Financial implications

There are no financial implications arising directly from this report, although the Council could incur legal costs should procedures not be correctly followed.

Signed: Amy Oliver

Dated: 18th February 2026.

5.2 Legal implications

There are no direct legal implications arising from this report

Signed: Kamal Adatia (City Barrister and Head of Standards) ext. 37 1402

Dated: 10th February 2026

5.3 Equalities implications

N/A.

Signed:

Dated:

5.4 Climate Emergency implications

N/A.

Signed:

Dated:

5.5 Other implications (You will need to have considered other implications in preparing this report. Please indicate which ones apply?)

OTHER IMPLICATIONS	YES/NO	Paragraph References Within Supporting Information
Equal Opportunities	No	
Policy	No	
Sustainable and Environmental	No	
Climate Change	No	
Crime and Disorder	No	
Human Rights Act	Yes	HRA Article 8 must be considered for all applications

	Elderly/People on Low Income	No		
	Risk Management	No		

6. Background information and other papers:

None

7. Summary of appendices:

None

8. Is this a private report (If so, please indicate the reasons and state why it is not in the public interest to be dealt with publicly)?

No.

9. Is this a “key decision”? If so, why?

No.

Internal audit work programme 2026/27

Governance & Audit Committee

Decision to be taken by: N/A

Date of meeting: 16 March 2026

Lead director/officer: Amy Oliver, Director of Finance

Useful information

- Ward(s) affected: All
- Report author: Connor Munro, Assistant Director – Audit Assurance (Veritau)
- Author contact details: connor.munro@veritau.co.uk
- Report version number: 1.0

1. Summary

- 1.1 This report presents the draft programme of internal audit work to be undertaken in 2026/27, and seeks the Governance & Audit Committee's approval of this programme.

2. Recommended actions/decision

- 2.1 The Governance & Audit Committee is recommended to:
- 2.1.1 Approve the 2026/27 internal audit work programme.

3. Scrutiny / stakeholder engagement

- 3.1 In preparing the internal audit work programme, consultation has taken place with members of the Governance & Audit Committee and with key officers from across the council.

4. Background and options with supporting evidence

- 4.1 The council's internal audit service must comply with Global Internal Audit Standards in the UK Public Sector (GIAS UK Public Sector), and the council's own internal audit charter.
- 4.2 The GIAS UK Public Sector require that the Head of Internal Audit provides an annual opinion on the adequacy and effectiveness of the council's framework of governance, risk management, and control. The basis for the opinion is the programme of work that internal audit carries out.
- 4.3 Veritau's work programme is required to be approved by this committee as part of its responsibility for overseeing the work of internal audit. The programme of internal audit work for 2026/27 is attached as appendix 1.
- 4.4 There are no alternative options relating to this report. Approval of the work programme is required to ensure that the council's internal audit service conforms to professional standards.

5. Financial, legal, equalities, climate emergency and other implications

5.1 Financial implications

There are no financial implications arising directly from this report. Internal audit work is expected to be completed within the budget available to the council.

Signed: Claire Gavagan, Assistant Director of Finance

Dated: 2 March 2026

5.2 Legal implications

There are no legal implications arising directly from this report.

Signed: Kamal Adatia, City Barrister & Head of Standards (Monitoring Officer)

Dated: 25 February 2026

5.3 Equalities implications

There are no direct equality implications arising directly from this report. People from across all protected characteristics should benefit from the work of the committee and the audits that are conducted and reported on by ensuring the effectiveness of the Council's internal control system.

Signed: Surinder Singh, Equalities Officer

Dated: 25 February 2026

5.4 Climate Emergency implications

Responding to the climate emergency is one of the council's strategic priorities. This relies on the various programme areas operating efficiently and effectively which is supported through internal auditing.

Specific areas that relate to energy, buildings, environment (including waste) and public health have a more direct impact and ensuring that these programme strategies are running effectively has positive implications for the climate emergency response.

Signed: Phil Ball, Sustainability Officer, Ext 372246

Dated: 25 February 2026

5.5 Other implications (You will need to have considered other implications in preparing this report. Please indicate which ones apply?)

None.

6. Background information and other papers:

Internal audit work programme consultation report (26 January 2026 Governance & Audit Committee meeting): [Appendix 1 - Internal audit work programme consultation report 2026-27.pdf](#)

7. Summary of appendices:

Appendix 1 – Internal audit work programme 2026/27

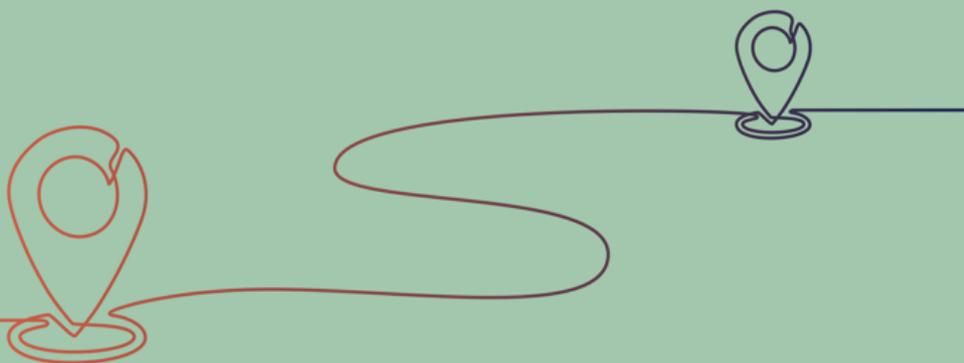
8. Is this a private report (If so, please indicate the reasons and state why it is not in the public interest to be dealt with publicly)?

No

9. Is this a “key decision”? If so, why?

No

Internal Audit Work Programme 2026/27



CONTENTS

- 3** Introduction
- 4** Strategic context
- 5** 2026/27 internal audit work programme
- 10** Annex A: internal audit work programme 2026/27

Introduction



- 1 This report sets out the proposed 2026/27 programme of internal audit work for Leicester City Council.
- 2 The work of internal audit is governed by the Global Internal Audit Standards in the UK Public Sector (GIAS UK Public Sector). These standards are made up of:
 - ▲ the Global Internal Audit Standards (GIAS), set by our professional body, The Institute of Internal Auditors, and
 - ▲ the Application Note: Global Internal Audit Standards in the UK Public Sector, produced by the Relevant Internal Audit Standard Setters¹.
- 3 At the local level, the council has an internal audit charter. The charter addresses how internal audit is performed and governed, and its commitment to adhering to professional standards.
- 4 To conform to professional standards and the charter, the Head of Internal Audit must develop a plan based on a documented assessment of the council's strategies, objectives, and risks and on their understanding of governance, risk management, and internal control arrangements. The plan should also be informed by input from key stakeholders, such as senior management and this committee.
- 5 Internal audit work should be risk-based and dynamic, being undertaken in a way that supports achievement of organisational objectives. Accordingly, planned work should be reviewed and adjusted in response to changes to risks, priorities, operations, programmes, systems, and internal controls.
- 6 The GIAS UK Public Sector place a specific requirement on the Head of Internal Audit to prepare an overall conclusion (opinion), at the level of the organisation, about the effectiveness of governance, risk management, and internal control. This must be done at least annually in support of wider governance reporting.
- 7 The basis of the Head of Internal Audit's annual opinion is the outcomes from planned audit work undertaken over the year (referred to as the 'work programme'). Our work programmes include coverage of governance, risk management, and internal control which, in turn, allows an opinion to be given.
- 8 At the 26 January 2026 meeting of this committee, we presented our work programme consultation report. This report explained how we approach development of the work programme by considering key areas

¹ The Relevant Internal Audit Standard Setter for UK local government is CIPFA.

of assurance, the council's risks, and its priorities to define a body of work from which an independent and well-informed opinion can be given.

- 9 Although internal audit has a role to play in supporting achievement of the council's objectives, responsibility for effective risk management, governance, and internal control arrangements remains with the council. The Head of Internal Audit cannot be expected to prevent or detect all weaknesses or failures in internal control, nor can internal audit work cover all areas of risk across the organisation.

Strategic context



- 10 Leicester City Council continues to face challenges to its medium-term financial outlook. However, the three-year settlement approved by the government in February has begun to address historic under-funding of relatively deprived areas of the country. The settlement will not allow the council to reverse the impact of more than a decade of austerity but it has relieved some of the pressure the council has been facing. In addition, the government separately announced financial support to authorities with Dedicated Schools Grants deficits. The funding will cover 90% of the deficits the council has accrued to date².
- 11 The council's previous strategies had required significant use of reserves to balance the budget. The current strategy provides an opportunity for the council to stabilise its financial position and reduce the budget gap.
- 12 The settlement means that, in 2026/27, the council will be able to part-fund capital expenditure from its reserves and so reduce (but not eliminate the need for) borrowing, to provide investment in a limited range of priority areas, and to amend savings targets over the life of the three-year budget strategy.
- 13 Although the council's financial situation has improved, efforts will need to continue to ensure that key aspects of risk management, governance, and control are maintained. 2026/27 will also give rise to other priorities and challenges in meeting the council's strategic objectives.
- 14 The challenges around demand-led services, particularly in social care (with an aging population, increasing complexity of need, and exposure to unfavourable market conditions) are now perennial issues impacting local authorities.
- 15 The council has already begun transformative change in adult social care, and work will continue into 2026/27. This work will need to take place alongside wider improvement efforts following Ofsted's 2025 inspection and 'requires improvement' judgement.
- 16 Children's services budgets are also stretched, with budget growth required in 2026/27 to cover the increasing cost of providing social care

² General Fund Revenue Budget 2026/27 (Council, 25 February 2026)

services, particularly to those with specific and complex needs. The council is taking various measures to offset these increases with improvements to the in-house offer, quality control arrangements, and brokerage and commissioning processes.

- 17 The housing crisis continues to be an issue of strategic importance, with insufficient affordable homes being available for the council's residents to live in, and the numbers presenting as homeless increasing. The council will be responding to this crisis in 2026/27 by allocating £50m to the acquisition of additional properties for use as temporary accommodation.
- 18 In short, the council is expected to deliver more with less. Maintaining effective operational arrangements is an essential building block in delivering the council's core functions and its strategic objectives. Internal audit contributes to overall objectives by helping to ensure that systems of governance, risk management and control that underpin operational arrangements are robust.
- 19 To maximise the value of internal audit, it is vital that we provide assurance in the right areas at the right time. We have designed the processes for developing the internal audit work programme, and refining it through the year, to do that.

2026/27 internal audit work programme



The 2026/27 indicative internal audit work programme

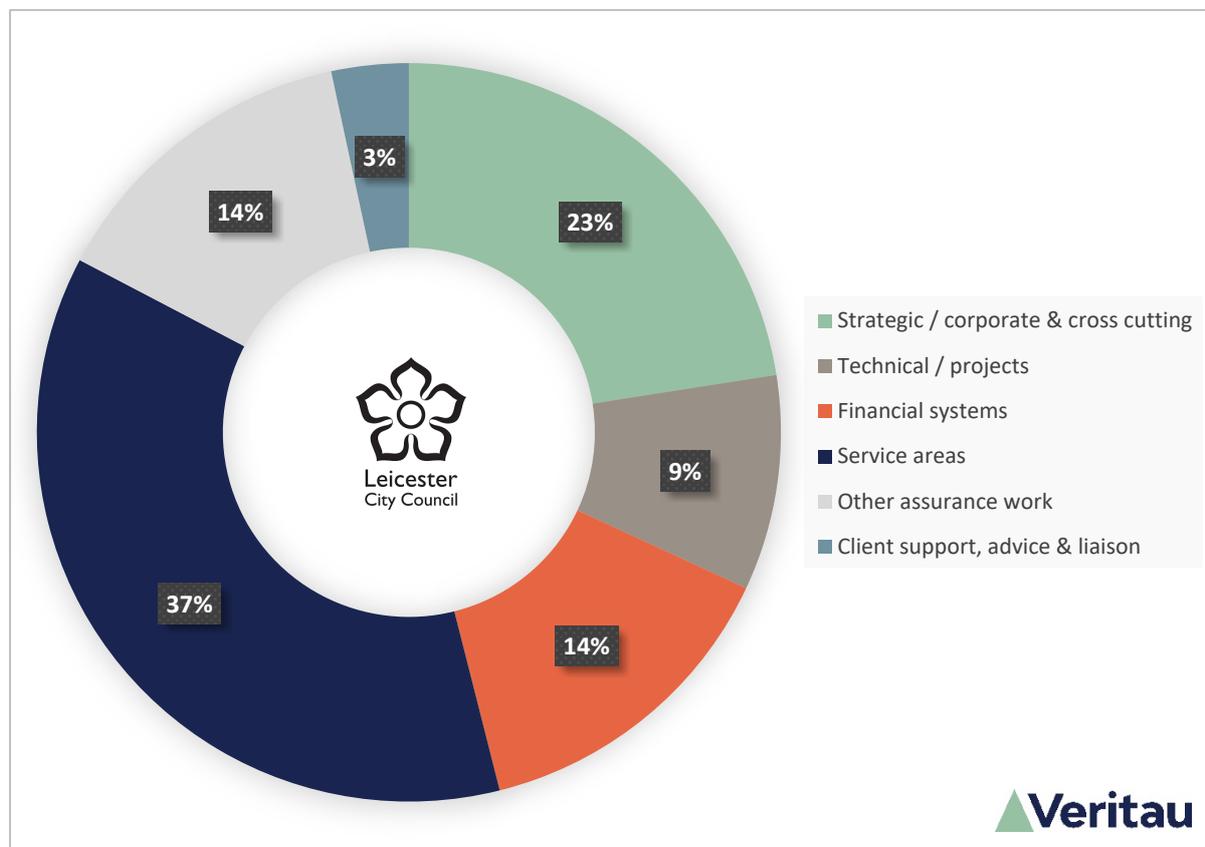
- 20 The proposed internal audit work programme for 2026/27 is included in annex A. The programme is made up of audit engagements which have been assessed as priorities to deliver over the next 12 months.
- 21 The overall level of service to be provided by Veritau is based on an indicative number of days, for planning purposes. This is 800 days for 2026/27.
- 22 The proposed areas of coverage in the 2026/27 work programme have been subject to consultation with this committee, strategic directors and their Directorate Management Teams, the Corporate Governance Panel (which includes the council's statutory officers), and with other senior officers from across the organisation.
- 23 Internal audit activity is organised into several functional programme areas. These areas are set out in table 1, on the following page.

Table 1: Work programme functional areas.

Programme area	Purpose
▲ Strategic / corporate & cross cutting	To provide assurance on areas which, by virtue of their importance to good governance and stewardship, are fundamental to the ongoing success of the council.
▲ Technical / projects	To provide assurance on those areas of a technical nature and where project management is involved. These areas are key to the council as the risks involved could detrimentally affect the delivery of services.
▲ Financial systems	To provide assurance on the key areas of financial risk. This helps provide assurance to the council that risks of loss or error are minimised.
▲ Service areas	To provide assurance on key systems and processes within individual service areas. These areas face risks which are individually significant but which could also have the potential to impact more widely on the operations or reputation of the council if they were to materialise.
▲ Other assurance work	An allocation of time to allow for continuous audit planning and information gathering, grant certifications, unexpected work, and the follow up of work we have already carried out (ensuring that agreed actions have been implemented by management).
▲ Client support, advice & liaison	Work we carry out to support the council in its functions. This includes the time spent providing support and advice, and liaising with staff.

24 Figure 1, on the following page, shows the proportion of time we expect to spend delivering work across each functional area during the year.

Figure 1: 2026/27 work programme – indicative functional area split.



The 'do now', 'do next', 'do later' audit prioritisation system

- 25 Once initial internal audit priorities have been identified through the application of the opinion framework, we then overlay a second system of prioritisation. This system allows us to determine the relative priority of audits included in the indicative work programme.
- 26 This second prioritisation system sees audits assigned to one of three categories, as shown in figure 2, below.

Figure 2: 'do now', 'do next', 'do later' prioritisation system.



- 27 Decisions on which of the three categories internal audit work falls into will be based on judgement, and will be made having given consideration to the prioritisation factors in table 2, on the following page. These will

result in internal audit work being considered a relatively higher or lower priority at the time of assessment.

Table 2: Internal audit prioritisation factors.

Prioritisation factors	
▲ where we have no recent audit assurance, or other sources of information	▲ where controls are changing and / or risks are increasing
▲ where we are following up previous control weaknesses	▲ where specific issues are known to have arisen
▲ areas that are of significant importance to the council, for example they reflect key objectives or high priority projects	▲ areas that provide broader assurance, for example corporate policies and frameworks
▲ areas that need to be covered to enable us to provide an annual opinion	▲ where there are time pressures or scheduling requirements, for example grant deadlines, or where work is scheduled to minimise the impact on council service areas at busy times

- 28 The above factors will be used on an ongoing basis to decide what internal audit work will be carried out, and when, during the course of the year. These decisions will be made in consultation with the council through our ongoing dialogue with senior officers. Individual pieces of work will move between the three categories, as required, based on their priority at the time of assessment.
- 29 For example, an audit scheduled for quarter three to minimise the impact on a service area may initially be classed as to 'do later' but will become 'do now' as we move into quarter three. Similarly, an audit of a council project classed as 'do now' because it represents an area of high importance may move from 'do now' to 'do next' or 'do later' if, for example, a project slips or planned work cannot be undertaken until a specific point is reached. Towards the end of the year, audits classed as 'do later' are likely to be deferred until the following year.
- 30 It is important to re-emphasise two important aspects of the programme as a whole. Firstly, the audit activities included in annex A are not fixed. Work will be kept under review to ensure that audit resources are deployed to the areas of greatest risk and importance to the council. This is to ensure the audit process continues to add value.
- 31 Secondly, it will not be possible to deliver all audit activities listed in the programme. The programme has been intentionally over-planned, to build in flexibility from the outset, while also providing an indication of the priorities for work at the time of assessment. Over-planning the programme enables us to respond quickly if we need to commence work

in other areas of importance to the council when risks and priorities change during the year.

- 32 The committee will be provided with information on current internal audit priorities throughout the year as part of regular progress reporting.

ANNEX A: internal audit work programme 2026/27

Programme area	Internal audit activity
Strategic / corporate & cross cutting	<ul style="list-style-type: none"> ▲ Savings delivery ▲ Polygamous working ▲ Hybrid working ▲ Information Access Requests (children's services) ▲ Data security incident management ▲ Physical information security ▲ Procurement pipeline and forward planning ▲ Procurement Act compliance ▲ Community Languages ▲ Complaint handling ▲ Public health (partnership working) ▲ Mental health (strategic planning) ▲ Healthy Child Programme
Technical / projects	<ul style="list-style-type: none"> ▲ ICT: access controls ▲ ICT: Artificial Intelligence ▲ ICT: server administration and security ▲ ICT: cybersecurity – user awareness and training ▲ Crisis Resilience Fund (support and advice) ▲ Pride in Place (support and advice) ▲ Connect to Work (support and advice)
Financial systems	<ul style="list-style-type: none"> ▲ Main accounting system

Programme area	Internal audit activity
	<ul style="list-style-type: none"> ▲ Unit 4 reimplementation (support and advice) ▲ VAT accounting ▲ Treasury management ▲ Fundamental financial controls ▲ Accounts preparation and closedown ▲ Leaseholder statement of accounts ▲ Council Tax and NNDR ▲ Housing benefits
Service areas	<ul style="list-style-type: none"> ▲ Section 17 payments ▲ Children's residential homes: finance and resource management ▲ Children leaving care ▲ SEND commissioning ▲ Unaccompanied asylum seeker children ▲ Short breaks ▲ School themed audit 1 (focus to be confirmed) ▲ School themed audit 2 (focus to be confirmed) ▲ Private Finance Initiatives: schools ▲ Adult Social Care Cost Mitigation Programme ▲ Direct payments (adult social care) ▲ Safeguarding (adult social care) ▲ Payments to care providers (adult social care) ▲ Funded nursing payments ▲ Ward community funding

Programme area	Internal audit activity
	<ul style="list-style-type: none"> ▲ Building control ▲ Section 106 agreements ▲ Acquisitions (homelessness) ▲ Landlord regulatory powers ▲ Awaab's Law compliance ▲ Housing repairs ▲ Waste services (contract management)
Other assurance work	<ul style="list-style-type: none"> ▲ Grant certifications ▲ Follow-up of previously agreed management actions ▲ Continuous audit planning and additional assurance gathering to help support our opinion on the framework of risk management, governance and internal control ▲ Attendance at, and contribution to, governance- and assurance-related working groups
Client support, advice & liaison	<ul style="list-style-type: none"> ▲ Committee preparation and attendance ▲ Key stakeholder liaison ▲ Support and advice on control, governance, and risk related issues

Finance Update – Statement of Accounts

Governance & Audit Committee

Date of meeting: 16th March 2026

Lead director/officer: Amy Oliver, Director of Finance

Useful information

- Ward(s) affected: All
- Report author: Claire Gavagan
- Author contact details: claire.gavagan@leicester.gov.uk
- Report version number: 1

1. Summary

- 1.1. This report provides an update to the Committee on changes in relation to IFRS 16 and minor amendments that were made to the Annual Accounts for the final publication.
- 1.2. This report also identifies proposed improvements to our processes for preparing the statement of accounts for 2025/26, and for subsequent years.

2. Recommended actions/decision

- 2.1. The Governance & Audit Committee is recommended to note the report.

3. Background and options with supporting evidence

- 3.1. The statement of accounts for 2024/25 were approved by this Committee in February with an unqualified audit opinion. However, the External Auditor's report (ISA260) highlighted some areas that require improvement.
- 3.2. The final accounts were published on our website by the February deadline, incorporating amendments that were made following the last committee meeting.

4. Detailed report

- 4.1. The Council successfully met the February accounts deadline, marking a strong achievement. The final accounts published on the website included agreed amendments in relation to IFRS 16 and other minor amendments.
- 4.2. The minor amendments were largely corrections to disclosure notes and only one amendment impacted the balance sheet. One asset held for sale was overstated by £14m due to International Financial Reporting Standards (IFRS) requiring non-current assets classified as held for sale to be measured at the lower of their carrying value and fair value less costs to sell at initial classification.
- 4.3. Similar to the IFRS 16 amendments, this technical accounting adjustment involved a transfer to unusable reserves and therefore neither had any impact on the monies the Council has available to fund its activities.
- 4.4. At the February meeting, the auditors also identified areas where improvements were needed to the annual accounts processes. It should be recognised that we are not the only Council experiencing difficulties producing the statement of accounts, and particularly with the valuation of assets. This has been extensively reported nationally, which has resulted in HM Treasury carrying out a public sector wide review and changes have been implemented in the Local Authority Accounting Code for 2025/26.

- 4.5. Alongside this we will strive to make improvements which ensure the accounts meet the requirements of readers and meet accounting standards and audit requirements.
- 4.6. The annual accounts process should be a constantly evolving process, to recognise the constant use of technology, and changing audit and accounting requirements. We have therefore already taken actions to improve processes for 2025/26 and beyond.

Actions currently being undertaken

- 4.7. The following actions have been implemented or being progressed:
- Bringing in an experienced year-end accountant to support and train the team.
 - Expanded the team to provide additional capacity
 - Additional training in the wider Accountancy team
 - Additional training to be provided by the external auditors
 - Continuing with workshops to be held with the valuers and accountants.
 - Additional review of working papers to be undertaken by senior finance staff.
- 4.8. Beyond 2025/26, the new version of our financial management system will enable us to produce our accounts in a more efficient manner, and will also improve controls and reporting.
- 4.9. A further report will be presented at the June meeting outlining a detailed action plan and progress to date.

5. Financial, legal, equalities, climate emergency and other implications

5.1 Financial implications

This report is solely concerned with financial issues.

Claire Gavagan, Assistant Director of Finance
27 February 2026

5.2 Legal implications

There are no direct legal implications arising from this report.

Kevin Carter, Head of Law – Commercial, Property and Planning
5 March 2026

5.3 Equalities implications

There are no direct equalities implications arising from the report.

Surinder Singh, Equalities Officer
5 March 2026 Ext 37 4148

5.4 Climate Emergency implications

There are no climate emergency implications associated with this report.

Phil Ball, Sustainability Officer, Ext 372246
5th March 2026

5.5 Other implications (You will need to have considered other implications in preparing this report. Please indicate which ones apply?)

N/A

6. Background information and other papers:

- Statutory Statement of Accounts & Annual Governance Statement 2024/25 presented to Governance & Audit Committee on 17 February 2026 with the External Auditors ISA260.

7. Summary of appendices:

N/A

8. Is this a private report (If so, please indicate the reasons and state why it is not in the public interest to be dealt with publicly)?

No

9. Is this a “key decision”? If so, why?

No

Annual Review of the Council's Local Code of Corporate Governance

Governance & Audit Committee

Decision to be taken by: Governance & Audit Committee

Date of meeting: 16 March 2026

Lead director: Amy Oliver, Director of Finance

Useful information

- Ward(s) affected: All
- Report author: Claire Gavagan
- Author contact details: claire.gavagan@leicester.gov.uk
- Report version number: 1

1. Summary

- 1.1. To present the Local Code of Corporate Governance to the Governance & Audit Committee for approval.

2. Recommendations

- 2.1. **The Governance & Audit Committee is recommended to:**
 - Approve the Local Code of Corporate Governance 2026/27, at Appendix 1.

3. Background

- 3.1. The Council has a Local Code of Corporate Governance and a Governance & Audit Committee. The committee has prescribed terms of reference that form part of the Council's constitution and are designed to enable the Committee to discharge its functions both as 'those charged with governance' generally and as the board-level oversight under the current Global Internal Audit Standards in the UK public sector (replacing the former Public Sector Internal Audit Standards - PSIAS).
- 3.2. There are clear linkages between the terms of reference and the local code in making up the Council's overall system of corporate governance. In order that they remain relevant and fit for purpose, each of these documents is subject to regular review.
- 3.3. Reporting on actual compliance (i.e., what we have achieved as an organisation in this regard) will be reported in due course through the Annual Governance Statement which is presented alongside the Statement of Accounts.

4. Local Code of Corporate Governance

- 4.1. A central component of the Council's system of governance is its Local Code of Corporate Governance. This reflects the main components set out in the CIPFA and SOLACE guidance "Delivering Good Governance in Local Government: Framework 2016". [New guidance](#) was also issued in May 2025 from CIPFA and Solace on the annual review of governance and internal controls, and the preparation of the annual governance statement (AGS).
- 4.2. The Local Code is a public statement of the arrangements the Council has in place to ensure it conducts its business in a way that upholds the highest standards.
- 4.3. The Local Code is therefore an important part of the Council's public accountability. It is important it remains fit for purpose, as each year the Council conducts a review of compliance with the Code. The results of this feed into the

annual review of the effectiveness of the Council's system of internal control, thereby contributing to the Annual Governance Statement.

- 4.4. The Local Code has been refreshed for 2026/27 to reflect changes in strategies or policies.
- 4.5. The Local Code of Corporate Governance is given at Appendix 1.

5. Financial, legal and other implications

5.1 Financial implications

Adequate and effective systems of corporate governance and assurance and an effective Governance & Audit Committee are all central components in the processes intended to help ensure that the Council operates efficiently, cost effectively and with integrity. Such arrangements support the processes of audit and internal control that will help the Council as it faces financially challenging times.

Claire Gavagan, Assistant Director of Finance
27 February 2026

5.2 Legal implications

Part 2 of the Accounts and Audit (England) Regulations 2015 obliges the Council to ensure that the financial management of the Council is adequate and effective and that the Council has a sound system of internal control which facilitates the effective exercise of its functions and which includes arrangements for the management of risk. The Council must conduct a review at least once in a year of the effectiveness of its system of internal control and following the review, must approve an annual governance statement.

Kevin Carter, Head of Law – Commercial, Property and Planning
5 March 2026

5.3 Climate Change and Carbon Reduction implications

'Climate ready' is identified as one of the ten priorities in the City Mayor's Strategic Vision, the delivery of which is supported by effective governance arrangements. The council's strategy and key interventions for achieving the climate ready priority is set out in the Climate Ready Leicester Plan, approved by Council on 5 September 2024 and updated in 2025.

Phil Ball, Sustainability Officer, Ext 372246
5 March 2026

5.4 Equalities Implications

The report seeks approval for the Local Code of Corporate Governance 2026/27, there are no direct equalities implications arising from the report. Good corporate

governance underpins confidence in public services and should be transparent to all stakeholders. Corporate governance is about the systems, processes, and values by which the Council operates and by which it engages with, and is held accountable to, our communities and stakeholders. Ensuring openness and comprehensive stakeholder engagement is important in effective corporate governance.

Surinder Singh, Equalities Officer, Ext 37 4148
5 March 2026

5.5 Other Implications (You will need to have considered other implications in preparing this report. Please indicate which ones apply?)

Sustainable and Environmental	No	
Crime and Disorder	Yes	This report is concerned with effective systems of governance and control, which are an important safeguard against
Risk Management	Yes	The whole report concerns the governance and assurance processes, a main purpose of which is to give assurance to Directors, the Council and this Committee that risks are being managed appropriately.

6. Background information and other papers:

N/A

7. Summary of appendices:

Appendix 1 – Local Code of Corporate Governance

8. Is this a private report (If so, please indicated the reasons and state why it is not in the public interest to be dealt with publicly)?

No

9. Is this a “key decision”?

No

Local Code of Corporate Governance 2026/27

INTRODUCTION

The Council's Local Code of Corporate Governance is based on the CIPFA/SOLACE publication "Delivering Good Governance in Local Government Framework 2016" and the addendum issued in May 2025.

The International Framework defines Governance as arrangements put in place to ensure that the intended outcomes for stakeholders are defined and achieved. The framework goes on to state that to deliver good governance in the public sector, both governing bodies and individuals working for them must aim to achieve their entity's objectives while acting in the public interest at all times.

The addendum issued in May 2025 provides further guidance on the Local Code of Corporate Governance and recommends that authorities adopt a local code of governance which sets out their governance arrangements, showing how governance principles are put into practice at their authority. The code should:

- clearly align to the principles in Delivering Good Governance in Local Government: Framework,
- take account of the best value statutory guidance or other statutory requirements of the appropriate national government,
- be up-to-date and reviewed regularly to ensure it takes account of changes in the authority and its environment,
- identify what arrangements the authority has put in place to achieve each principle, so it is specific to the authority,
- include values and behaviours as well as processes, as these influence the authority's culture,
- include how the code is reviewed and updated.

The Council is committed to the principles of good corporate governance as identified in the CIPFA/SOLACE guidance. Its commitment is confirmed through the adoption of its Local Code of Corporate Governance and its publication of the Annual Governance Statement. Both are reviewed annually by officers and presented to the Governance & Audit Committee for review and approval.

This document sets out the Council's *Local Code of Corporate Governance for 2026/27* and the processes for monitoring its effectiveness. The Code provides the framework for the Council to achieve its aims and objectives.

CORE PRINCIPLES

The Council's Code of Corporate Governance is based on the seven core principles. The illustration below shows the principles of good governance in the public sector and how they relate to each other.

Achieving the Intended Outcomes While Acting in the Public Interest at All Times



HOW THE COUNCIL ENSURES GOOD GOVERNANCE

The following details how the Council ensures good governance and complies with the CIPFA/SOLACE “Delivering Good Governance Framework” (2016) and the addendum issued in May 2025.

Behaving with Integrity, demonstrating strong commitment to ethical values, and respecting the rule of law.

We have the following codes, rules and values which are followed:

- Constitution
- Financial Procedure Rules
- Code of Conduct for Members
- Code of Conduct for Employees
- Anti-fraud, Bribery & Corruption Policy
- Whistleblowing Policy
- Information Governance & Risk Policy
- Anti-Money Laundering Policy
- Contract Procedure Rules
- Generative Artificial Intelligence (GenAI) policy
- Our established set of values - Accountability, Clarity, Confidence, Fairness and Respect

Ensuring openness and comprehensive stakeholder engagement.

We show openness and engagement through the following:

- Open Council & committee meetings with published minutes
- Published Executive Decisions
- Scrutiny of Executive projects through commissions
- Call in periods for Executive decisions
- Public engagement through consultation, representations and petitions
- Use of social media engagement on key projects and partnership working
- Publication of Freedom of Information Act responses and transparency data
- A range of communication channels including press-release and other communications linked to significant decisions and council activity

Defining outcomes in terms of sustainable economic, social and environmental benefits

The City Mayor has set out a strategic vision underpinned by ten priorities which relate to:

- Supporting people
- Supporting communities
- A good home
- A good job
- Safe, clean streets
- Climate ready
- Our well-being

<ul style="list-style-type: none"> • Our children and young people
<ul style="list-style-type: none"> • Our quality of life
<ul style="list-style-type: none"> • Our care services
<p>Determining the interventions necessary to optimise the achievement of the intended outcomes</p>
<p>The priorities are supported by the following key plans:</p>
<ul style="list-style-type: none"> • Budget Strategy (updated annually)
<ul style="list-style-type: none"> • Leicester’s homelessness strategy 2023-2028
<ul style="list-style-type: none"> • Equality and diversity strategy 2024-28
<ul style="list-style-type: none"> • Anti-poverty strategy
<ul style="list-style-type: none"> • Leicester’s Health, Care and Wellbeing Strategy 2022-2027
<ul style="list-style-type: none"> • Get Leicester, Leicestershire and Rutland Working Plan 2025-2035
<ul style="list-style-type: none"> • Street Design Guide
<ul style="list-style-type: none"> • Heart of Leicester – A ten year plan
<ul style="list-style-type: none"> • Creative and Cultural Industry Strategy
<ul style="list-style-type: none"> • Local Plan – expected to be adopted by Summer 2026
<ul style="list-style-type: none"> • Active Leicester 2023-2028 Strategy
<ul style="list-style-type: none"> • Bus Service Improvement Plan 2024 – 10 year plan
<ul style="list-style-type: none"> • Voluntary, Community and Social Enterprise Engagement strategy: 2023-2027
<ul style="list-style-type: none"> • Climate Ready Leicester Plan

Examples of the Council's commitment to achieving good governance in practice is demonstrated below

Principle: Developing the entity's capacity, including the capability of its leadership and the individuals within it

The Council is supported by:

- The Golden Triangle of Statutory Officers (Head of Paid Service, Chief Finance Officer, and Monitoring Officer)
- Governance services including Member and Civic Support Services, who also support member development
- An Organisational Development Team, who ensure effective development of employees
- A communications function which includes PR, Media and Digital Media Teams
- A staff intranet and established internal communication channels, which provide guidance to staff
- Partnership working on key priorities
- An Information Governance Team to support our data policies
- Specialist teams offering professional advice, for example Legal, Procurement, IT and Finance

Principle: Managing risks and performance through robust internal control and strong public financial management

We review processes and delivery throughout the year supported by:

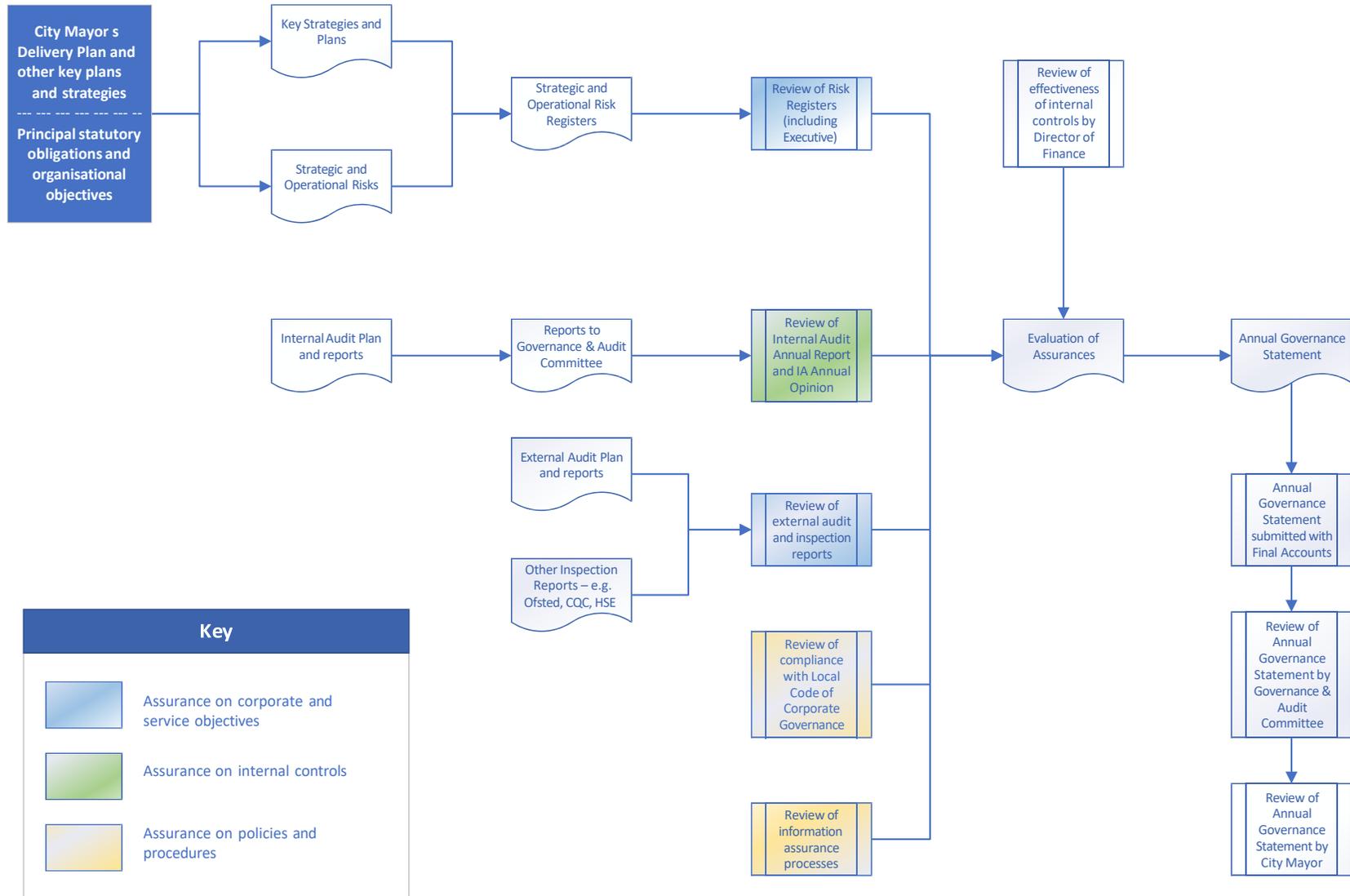
- Internal Audit
- External Audit
- Information Governance
- Governance & Audit Committee

<ul style="list-style-type: none"> • Regular reporting of Capital and Revenue spend during a year
<ul style="list-style-type: none"> • Annual review of the Local Code of Corporate Governance
<ul style="list-style-type: none"> • Annual review of risk management strategy and policy and regular monitoring, evaluation and reporting on strategic and operational risks
<ul style="list-style-type: none"> • Annual review of the Assurance Framework
<p>Principle: Implementing good practices in transparency, reporting, and audit to deliver effective accountability</p>
<p>How the Council demonstrates good practice and ensures accountability:</p>
<ul style="list-style-type: none"> • External Audit
<ul style="list-style-type: none"> • Annual Financial Statements
<ul style="list-style-type: none"> • Annual Governance Statement
<ul style="list-style-type: none"> • Open Council & committee meetings with published minutes
<ul style="list-style-type: none"> • Compliance with CIPFA codes of Practices (including the Financial Management Code)
<ul style="list-style-type: none"> • Scrutiny Committees and regulatory committees
<ul style="list-style-type: none"> • External inspections and reviews of services

Additional information on many of the areas detailed above can be found on the Council's website; [Home - Leicester City Council](#)

ANNUAL REVIEW OF GOOD GOVERNANCE

The Council is annually required to assess how effective its governance arrangements are and report this through the Annual Governance Statement. The assessment of the Council's effectiveness is completed by following the framework below.



Key	
	Assurance on corporate and service objectives
	Assurance on internal controls
	Assurance on policies and procedures

Governance & Audit Annual Report 2025/26

Governance & Audit Committee

Decision to be taken by:

Date of meeting: 16 March 2026

Lead director: Amy Oliver, Director of Finance

Useful information

- Ward(s) affected: All
- Report author: Claire Gavagan
- Author contact details: claire.gavagan@leicester.gov.uk
- Report version number: 1

1. Summary

- 1.1. To present to the Council the report of the Governance & Audit Committee setting out the Committee's work and achievements over the municipal year 2025/26.
- 1.2. This report was presented to the Committee for approval at its meeting on 16 March.

2. Recommendations

- 2.1. The Governance & Audit Committee is recommended to approve this report for submission to the Council, subject to any amendments that it may wish to make.
- 2.2. Council is recommended to receive this report.

3. Scrutiny/Stakeholder engagement

N/A

4. Background and options with supporting evidence

- 4.1. The The Committee's terms of reference approved by Council require the submission of an annual report on its activities, conduct, business and effectiveness. The CIPFA* guidance on Audit Committees states that the audit committee should be held to account on a regular basis by Council, and that the preparation of an annual report can be helpful in this regard.
(* CIPFA – the Chartered Institute of Public Finance and Accountancy).
- 4.2. Following the Committee's approval, this report will proceed to Council.
- 4.3. The Governance & Audit Committee considered a wide range of business in fulfilment of its central role as part of the Council's system of corporate governance, risk management, fraud and internal control. It conducted its business in an appropriate manner through a programme of meetings and fulfilled the expectations placed upon it. Its membership was expanded to include an additional independent member, meaning the committee now has two independent members, in line with CIPFA guidance. Both members are recent appointments and were introduced at the November 2025 meeting, as the three-year term for the previous independent member had come to an end.

5. Detailed report

- 5.1. The Committee's terms of reference are regularly reviewed. They formally confer upon it the role of 'the board' for the purposes of the Public Sector Internal Audit Standards, which are the recognised professional standards for local authority internal audit. The Standards are the mandatory elements of the Institute of Internal Auditor's International Professional Practices Framework, interpreted and adopted for local government by CIPFA.
- 5.2. During the municipal year 2025/26, the Committee met on seven occasions (including this meeting). All meetings were properly constituted and quorate. The Committee's terms of reference require it to meet at least four times during the year. The Director of Finance, internal audit and various officers attended meetings of the Committee. In addition, and in the interests of providing the full range of legal, constitutional and financial advice and expertise, the Committee was supported by the City Barrister & Head of Standards or his representatives.
- 5.3. Members may recall the CIPFA publication "Audit Committees – Practical Guidance for Local Authorities." The guidance notes that "audit committees are a key component of an authority's governance framework. Their function is to provide an independent and high-level resource to support good governance and strong public financial management."
- 5.4. Further to this, it notes the purpose of the committee is to provide those charged with governance with independent assurance of the adequacy of the risk management framework, the internal control environment and the integrity of the financial reporting and governance processes.
- 5.5. It is considered that Governance & Audit Committee continued to meet the requirements for an effective Audit Committee. In summary the reasons for this are:
 - The Committee meets regularly, and its chair and membership are sufficiently independent of other functions of the Council. Meetings are conducted constructively, are free and open and are not subject to political influences;
 - The Committee's terms of reference provide a sufficient spread of responsibilities covering internal and external audit, risk management and governance;
 - The Committee plays a sufficient role in the management of Internal Audit, including approval of the audit plan, review of Internal Audit's performance and the outcomes of audit work, together with management's responses to recommendations made;
 - The Committee received reports from Grant Thornton as the Council's external auditor and maintained an overview of the external audit process, including the fees charged; and
 - The Committee was updated on changes in governance and local authority finances during the year.
- 5.6. It is recognised that Committee members need suitable training. Arrangements

continue to be made to provide training on relevant topics. The Committee may also request informal briefings on key topics.

- 5.7. The committee continues to be supported by two independent members
- 5.8. Taking all the above into account, the Committee has continued to make an important contribution to the effectiveness of the City Council's internal control and corporate governance frameworks. It is a central component of the Council's system of internal control.
- 5.9. The key outcomes from the Committee's work included:
- a Internal Audit**
- The Committee considered the Internal Audit annual plans and monitored delivery and outcomes during the year. The Committee also received the Internal Audit annual reports and opinion on the adequacy and effectiveness of the Council's framework of governance, risk management and control for 2024/25.
 - The Committee reserves the right to summon relevant officers to attend its meetings to discuss in more depth specific issues raised by Internal Audit reports. This has helped to maintain the profile of the Committee and its role in promoting adherence to procedures and improved internal control.
 - The Committee also approved an updated internal audit charter and were informed of work by the internal auditors to support senior management in assessing its conformance with the new Code of Practice for the Governance of Internal Audit in UK Local Government.
- b Counter-Fraud**
- The Committee maintained an effective overview of the Council's measures to combat fraud and financial irregularity. Specifically, the Committee:
 - Considered counter-fraud reports, which brought together the various strands of counter-fraud work with data on the various types of work carried out by the teams involved.
 - Reviewed and supported the Council's participation in the National Fraud Initiative.
 - Approved the Council's updated Anti-Fraud, Bribery and Corruption Policy, and Anti-Money Laundering Policy.
- c External Audit**
- The Committee considered the external auditor's plans and progress and the outcomes of this work, with particular reference to the annual audit of the Council's statutory financial statements and value for money arrangements.
 - The Committee was kept updated on the national issues with local authority accounts and audit, which delayed the finalisation of the Council's statutory statement of accounts. The Committee monitored progress and asked questions about the impact.
 - The Committee received the 2024/25 Audit Findings Report at its meeting in February 2026, allowing the Statement of Accounts for 2024/25 to be published with an unqualified audit opinion. The committee noted recommendations for management from external audit, including improvements needed to some of the processes involved in the production of the Statement of Accounts, such as accounting for property, plant and

equipment.

d Risk Management

- The Committee maintained a regular overview of the Council's risk management arrangements. This included the Council's strategic and operational risk registers, identifying potential emerging risks to the Council and its services, together with the Risk Management Strategy and Policy and the Corporate Business Continuity Management Strategy.

e Corporate Governance

- The Committee fulfilled the responsibilities as 'the board' for the purposes of the City Council's conformance to the Public Sector Internal Audit Standards.
- The Committee maintained its oversight of the Council's corporate governance arrangements. The Council's updated assurance framework, which maps out the process for collating the various sources of assurance and preparing the Council's statutory Annual Governance Statement, was reviewed and approved by the Committee.
- The Committee approved the Annual Governance Statement for 2024/25.
- This annual report to Council is part of the governance arrangements, through giving a summary of the Committee's work and contribution to the good governance of the City Council and demonstrating the associated accountability.

f Financial Reporting

- The Committee received and approved the Council's statutory Statement of Accounts for 2024/25 and associated external audit reports. It approved the Council's letters of representation, by means of which the Council gives assurance to the external auditor that there were no significant items not reflected in the Council's accounting statements. As noted above, the Committee were kept updated on the delays in finalising the accounts and audit.
- The external auditor's Annual Governance Reports were issued to the Committee as 'those charged with governance' and considered accordingly. In these reports, the auditor confirmed that his audit opinion on the Council's financial statements would be expected to be 'unqualified'.

g Procurement

- The Committee were asked to provide feedback on the revised contract procedures rules for changes introduced by the Procurement Act 2024, prior to them being considered by Council.
- The Committee raised concerns about the use of procurement waivers, including the increase in the number of waivers, which was primarily due to increased financial controls that have been put in place, which identified spend without contracts.

h Complaints

- The committee received an annual update on the delivery of the complaints service for 2024/25, including complaints raised with the Local Government and Social Care and Housing Ombudsman.
- The committee requested additional details on Ombudsman reports going forwards.

i Other Work

During the year the Committee also received updates and reports on the following areas:

- Health & Safety
- Insurance

5.10. Conclusions

- The Committee met the requirements of its terms of reference as mentioned above and has fulfilled the good practice guidance issued by CIPFA.
- It is the view of the Director of Finance (the s151 officer) that the Governance & Audit Committee made a significant contribution to the good governance of the City Council. Through its work, it has reinforced the Council's systems of internal control and internal audit and has given valuable support to the arrangements for corporate governance, legal compliance and the management of risk.

6. Financial, legal and other implications

6.1. Financial implications

An adequate and effective Governance & Audit Committee is a central component in the governance and assurance processes intended to help ensure that the Council operates efficiently, cost effectively and with integrity. Its support for the processes of audit and internal control will help the Council as it continues to face financially challenging times.

Signed: Claire Gavagan, Assistant Director of Finance
Dated: 27 February 2026

6.2. Legal implications

The Governance & Audit Committee aids the fulfilment by the Council of its statutory responsibilities under the Accounts and Audit Regulations 2015 by considering the findings of a review of the effectiveness of the Council's system of internal control. It is an important part of the way in which the duties of the responsible financial officer under s151 of the Local Government Act 1972 are met.

Kevin Carter, Head of Law – Commercial, Property and Planning
5 March 2026

6.3. Climate Change and Carbon Reduction implications

The areas of responsibility of the Committee all contribute to the council's effective delivery of actions towards the City Mayor's strategic priority for achieving a Climate Ready Leicester, as set out in the Climate Ready Leicester Plan 2023-28. This includes the identification and management of risks arising from the climate emergency, as set out in

the Strategic Risk Register.

Phil Ball, Sustainability Officer, Ext 372246
5th March 2026

6.4. Equalities

The work undertaken by the committee provides confirmation for full Council, as the body charged with governance, that arrangements in place are up to date, fit for purpose, communicated and embedded, monitored and routinely complied with. There are no direct equalities implications arising from the report. Corporate governance is the system by which local authorities direct and control their functions and relate to their communities. It is founded on the basic principles of openness and inclusivity, integrity and accountability.

Surinder Singh, Equalities Officer, Ext 37 4148
5 March 2026

6.5. Other Implications (You will need to have considered other implications in preparing this report. Please indicate which ones apply?)

OTHER IMPLICATIONS	YES/NO	PARAGRAPH REFERRED
Equal Opportunities	No	
Policy	No	
Sustainable and Environmental	No	
Crime and Disorder	No	
Human Rights / People on low incomes	No	
Corporate Parenting	No	
Health Inequalities Impact	No	

7. Background information and other papers:

Agendas and minutes of the Governance & Audit Committee meetings in 2025/26.

8. Summary of appendices:

N/A

9. Is this a private report (If so, please indicated the reasons and state why it is not in the public interest to be dealt with publicly)?

No

10. Is this a “key decision”?

No

ACTION TRACKER - GOVERNANCE AND AUDIT					
A	ACTION REQUIRED	DIRECTOR RESPONSIBLE	PROGRESS NOTES	COMMENTS	
ACTIONS ARISING 17 FEBRUARY 2026					
	Statement of Accounts	A report on improvement arrangements would be brought to future reports.	Amy Oliver		Open
	Statement of Accounts	A future report including additional resources to prevent future issues and a detailed action plan.	Amy Oliver		Open
	Statement of Accounts	To provide a report on the new financial management system.	Amy Oliver		Open
	External Audit Annual Report 2024/25	To provide a report to committee on the information on governance arrangements surrounding Housing	Amy Oliver/Chris Burgin		Open

