
Strategic and Operational Risk Registers

Governance and Audit Committee

Date of meeting: 26th November 2025

Lead Director: 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

The purpose of this report is to provide an update on the Strategic and Operational Risk Registers. The following appendices are essential to this update.

- Appendix 1a is an overview diagram of the PESTLE Strategic Risk Register (SRR) and Appendix 1b provides a summary of the significant risks facing the council which may affect the achievement of the strategic objectives of the council. Appendix 1c provides an update on strategic risks under each category (PESTLE).
- Appendix 2a, the Operational Risk Register (ORR) exposure summary, provides a high-level summary of the operational risks, which may affect day-to-day divisional and operational service delivery. The operational risk register contains those risks identified and assessed by Divisional Directors as having a high-risk score of 15 or above.
- Appendix 2b, the ORR in full, provides the detail in relation to the council's operational risks.

2. Recommended actions/decision

- 2.1 To note the SRR and ORR and updates made to the strategic and operational risks.

3. Scrutiny / stakeholder engagement

- 3.1 All Strategic and Operational Directors were consulted to provide updated risk registers at both Strategic and Divisional level. The updates inform the content of the report and the updates made to the Strategic and Operational Risk Register.

4. Background and options with supporting evidence

- 4.1 The Council's 2025 Risk Management Strategy requires the development, maintenance and monitoring of both the SRR and ORR. Both the SRR and ORR processes are owned and led by the Head of Paid Service. The Corporate Governance Panel and Corporate Management Team collectively support the risk management process, documenting the key strategic and operational risks facing the council and help to ensure these are managed. The SRR is then submitted to

4.2 PESTLE has been implemented in the approach to the SRR as a framework for considering the wider context and environment, and the risks that this gives rise to.

4.4 In the latest review of the SRR, no new strategic risks have been identified. One risk score has changed which is Strategic Risk 3.2 'Less healthy and health resilient population' from 16 to 12. By way of reminder, Strategic Directors consolidated the Political and Legal strategic risk due to the similarities of the risk and its impacts. Refer to Appendix 1c which provides an update on each strategic risk.

4.6 The below matrix provides an indicator of the status of the council's strategic risks in terms of likelihood and impact.

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

- 4.7 The risks in the red quadrant require regular reviewing and monitoring and consideration for further controls and should receive the most challenge and given priority. Risks in the yellow area also require regular reviewing and monitoring to ensure they do not escalate to the red quadrant.
- 4.8 A significant proportion of the strategic risks are within the red quadrant, which is reflective of the challenging context that all organisations are operating within the current time, not least in relation to the economic impacts facing everyone.

5. Operational Risk Register (ORR) Update

- 5.1 With regards to the ORR, 27 existing risks that have been amended, one new has been added and two risks have been deleted this reporting period.
- 5.2 Appendix 2 provides a summary of operational risks facing the council. The changes to most risks included target dates amended to reflect the next review deadline date. However, 7 risks have further amendments other than target dates. These are risks 1, 2, 3, 4, 5, 6 and 26.
- 5.3 Where a risk is 'deleted', it does not always allude to the risk being eliminated. It may refer to the risk score no longer being 'high' and it may well remain within the individual divisional register with a score below 15. Below highlights the new risk that has been added and details of the 2 deleted risks.

New risk added:

Division	Risk Description	Risk score
Finance	Unit 4 Finance System Implementation	15 (5 Impact, 3 Likelihood)

Changes were made to the risk scores (no longer high, therefore, deleted) on the following two risks:

Division	Risk Description	Risk Score now	Previous Risk Score
Education	School collapses due to Reinforced Autoclaved Aerated Concrete failure	8 (4 Impact, 2 Likelihood)	16 (4 Impact, 4 Likelihood)
Education	External pressures from migration and Government policies	12 (4 Impact, 3 Likelihood)	16 (4 Impact, 4 Likelihood)

- 5.4 There will be high risks that are beyond the council's control where LCC take reasonable steps to manage those in the most appropriate way. There will also be

instances where the only solution is to tolerate some high risks where there is the risk appetite to do so, therefore, they will continue to appear on the Operational Risk Register.

6 Review of Reporting Strategic Risks

The way in which strategic risks are being reported to this Committee is being reviewed with the Corporate Governance Panel and other strategic risk owners currently for implementation.

7 Financial, legal, equalities, climate emergency and other implications

7.1 Financial implications

Whilst the financial sustainability risk remains high, there is a medium-term plan to balance the budget over the next 3 years. This is set out within the budget approved by Council in February 2025. This strategy relies on achieving recurrent savings whilst using reserves, and a reliance on prudential borrowing to fund the capital programme. The savings needs to be achieved to aid securing financial sustainability for the future.

Stuart McAvoy, Head of Finance, Ext 37 4004

Signed: Stuart McAvoy

Dated: 10 November 2025

7.2 Legal implications

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

Kamal Adatia, City Barrister, Ext 37 1401

Signed: Kamal Adatia

Dated: 12 November 2025

7.3 Equalities implications

Under the Equality Act 2010, public authorities have statutory duties, including the Public Sector Equality Duty (PSED) which means that, in carrying out their functions they have to pay due regard to the need to eliminate unlawful discrimination, harassment and victimisation, 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, sexual orientation. The council also has an obligation to treat people in accordance with their Convention rights under The Human Rights Act, 1998.

The ability of the council to meet its duties under the Equality Act 2010 is specifically accounted for in the strategic risk register. However, equalities and human rights considerations cut across all elements of risk management, including strategic and operational risk management.

Effective risk management plays a vital role in ensuring that the council can continue to meet the needs of people from across all protected characteristics and, in some circumstances, will be particularly relevant to those with a particular protected characteristic.

Some of the risks identified in the Strategic Risk Register, would have a disproportionate impact on protected groups should the council no longer be able to effectively manage them and, therefore, the mitigating actions identified in the strategic risk register support equalities outcomes. For example, should the council fail to safeguard effectively, this would have a disproportionate impact on the human right (prohibition of torture, inhuman or degrading treatment) of those from protected groups, such as age and disability. Impacts arising from the numbers and complexity of needs of asylum seekers and refugees placing additional demands and pressures on services risking tensions arising within communities. Likewise, a failure to engage stakeholders could lead to a failure to identify tensions arising in the city (particularly as the financial challenges impact on communities) leading to unrest in specific communities/areas of the city. This, in turn, would have an impact on the council's ability to meet the general aim of the PSED to foster good relations between people who share a protected characteristic and those who don't.

The socio-cultural risk reflects concerns relating to changing cultural and community dynamics arising from migration and a growing population, along with potential for local impacts resulting from wider geopolitical volatility. Close working with Police and other partners along with work to continue to maintain and develop community links. Therefore, the on-going work to update and consider risk management implications in making decisions and assessing the effectiveness of the controls/ mitigation actions for the risks identified in the report and appendices, will support a robust approach to reducing the likelihood of disproportionate equality and human rights related risks, provided the mitigations/ controls themselves are compliant with the relevant legislation.

Sukhi Biring, Equalities Officer Ext 37 4175

Signed: Sukhi Biring

Dated: 31 October 2025

7.4 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: 3 November 2025

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

N/A

8. Background information and other papers:

Reference to Risk Control Action Plans for strategic risks and the Operational Risk Register.

9. Summary of appendices:

Appendix 1a – Summary Diagram of Strategic Risks

Appendix 1b – Summary of Strategic Risks

Appendix 1c – Update on Strategic Risks

Appendix 2a - Operational Risk Summary as at 30/09/25

Appendix 2b - Detailed Operational Risk Register as at 30/09/25

10. 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

11. Is this a "key decision"? If so, why?

N/A