

**Report of the Head of Internal Audit,
Anti-Fraud and Assurance**

AUDIT AND GOVERNANCE COMMITTEE – 20th SEPTEMBER 2023

STRATEGIC CONCERNS / RISK REGISTER

1. Purpose of the report

- 1.1 To introduce the next scheduled strategic risks for the Audit and Governance Committee meeting to consider as presented by the appropriate Executive Director.
- 1.2 Two strategic risks will be considered at this meeting:
- Zero Carbon – Executive Director Growth and Sustainability
 - Inclusive Economy – Executive Director Growth and Sustainability

2. Recommendation

2.1 The Committee is asked to note the update.

3. Current Position

- 3.1 The Strategic Risk Register was reviewed by the Senior Management Team (SMT) on 5th September and there were no changes to the number or ratings given to the 13 strategic risks.

SMT determined that 4 risks remain classified as **high** (red response rating*) and 9 risks remain classified as **medium** (amber rating). No risks are classified as **low** (green rating) in relation to the level of response and intervention required.

* NOTE - The response rating reflects the degree of urgency and importance of the interventions and management oversight rather than the inherent risk.

- 3.2 The actions associated with these risks are included in Appendix 1.
- 3.3 SMT were appraised of the recently published National Risk Register (NRR). This reflects a more sophisticated understanding of the risk landscape following events such as COVID. The NRR is the external version of the National Security Risk Assessment (NSRA) which is the governments assessment of the most serious risks facing the UK. A copy of the NRR has been included on the Audit and Governance Committee Extranet Site for members' information.

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Date: 7th September 2023

Strategic Risk to be reviewed in the meeting – 20th September 2023

Risk Title	Risk Description	Impact	Status	Response Rating	SMT Owner
Zero Carbon	<p>Risk Description: There are significant environmental, financial, reputation, business and community risks associated with our work to ensure the Council achieves its ambition to be Zero Carbon by 2040 and that the Borough can be zero carbon by 2045. Present delivery performance trajectory means will likely miss the targets without significant changes.</p> <p>Risk Assessment: Climate change poses a huge risk to society as well as the Council. Should governments, businesses and the public not succeed in maintaining global warming at a 1.5-degree temperature rise, then the consequences will be catastrophic for humanity's survival. Present strategic approach needs to be reviewed to redirect performance to meet the required target trajectories.</p> <p>Action 1 Develop the Positive Climate Partnership (PCP), complemented by a range of Networks and Forums, to take shared ownership of the agenda at a borough wide level, strengthening relationships with partnership members and links into Barnsley 2030. RAG Rating – Green</p> <p>Action 2 Convene Carbon Management Group within the Council to develop a coherent action plan across all Council operations to deliver net zero for the Council by 2040. RAG Rating – Amber</p> <p>Action 3 Maximise all opportunities to secure Govt/SYMCA funding to deliver a range of programmes to support both the Council's and the borough's net zero ambitions. RAG Rating – Amber</p> <p>Action 4 Ensure biodiversity net gain is at the heart of all our planning policies and work with developers to ensure our natural capital and resources are conserved and protected or replaced where necessary. RAG Rating – Amber</p>	Actual	Actual	High	Executive Director Growth and Sustainability

Risk Title	Risk Description	Impact	Status	Response Rating	SMT Owner
	<p>Action 5 Work with Berneslai Homes to develop a retrofit strategy for future investment in our social housing. Review the 30-year HRA business plan and explore funding opportunities using the Savills Asset Review completed in March 2022. Introduce a Retrofit pilot through the HRA capital programme for 2023-25. RAG Rating – Amber</p> <p>Action 6 Ensure that sustainability and low carbon remains a key principle in the Council's procurement strategies and social value requirements for key contracts and construction activities. RAG Rating – Amber</p> <p>Action 7 Undertake an assurance review of the service. RAG Rating – Green</p> <p>Action 8 Introduce Climate Adaption into our business planning. Work with Yorkshire and Humber Climate Change Group programme. RAG Rating - Green</p>				
Inclusive Economy	<p>Risk Description: The impact of Covid 19, Brexit and the Cost-of-Living Crisis collectively have had a significant impact on the local economy. Residents and Businesses are experiencing significant issues through supply chains and the cost-of-living crisis, in particular energy price increases.</p> <p>The Council needs to continue to work with partners to maximise the value of the borough's economy and to livelihoods through the Inclusive Economy Board and the suite of business support measures delivered through Enterprising Barnsley and our Employment and skills team. As well as the potential impact on the Glass Works and the town centre there are wider community implications for Barnsley, its principal towns and other urban centres with the risk of increased unemployment, redundancies, and low levels of job opportunities for young people and those furthest from the labour market.</p> <p>Ongoing work is needed to secure final lettings of the Glass Works, develop the principal towns' economies and to address retail contraction, in particular with the Alhambra, the finance / banking sector and major anchor businesses in the town centre. Further development is required of the town centre to address blighted</p>	Actual	Actual	Medium	Executive Director Growth and Sustainability

Risk Title	Risk Description	Impact	Status	Response Rating	SMT Owner
	<p>areas also which are identified in the URBED town centre plan. While we are now in recovery, the backdrop and risks have changed with increased risk of recession, constrained growth/ retail spend, rising cost of living and inflationary pressures, all of which impact on our most disadvantaged households. Significant work is needed to ensure that our economically inactive population are equipped to participate in the economy and improve their livelihoods as well as ensuring there are pathways and progression routes for people of all ages to get into, get on and thrive in work.</p> <p>Risk Assessment: While Barnsley has performed well in recent months, retaining and building on footfall in the town centres and principal towns, these gains could be lost through market forces (retail contraction), changing consumer habits, increased cost of living impacts affecting discretionary spend, the energy crisis and ongoing changes in the town centre fabric including the Alhambra going into receivership, and movement of key retailers in the town centre. All of this needs regular monitoring and scrutiny, as well as necessary mitigating action on an ongoing basis. The Inclusive Economy Board oversees this work on the TC and PTs (Inclusive Urban Centres) as well as our work to support those furthest from the Labour Market to access volunteering and other support and get into and get on in work through our More and Better Jobs strategy.</p> <p>Action 1 The Inclusive Economy Board oversees the delivery of our Inclusive Economy work, including the development of our inclusive urban centres, the 'good growth' strategy for the borough and the more and Better Jobs strategy. It meets every two months and is made up of key representatives from the business, community and voluntary sector as well as education reps and skills providers. It looks to address key issues in our economy through action as well as overseeing key initiatives in our inclusive economy work. The IEB reports into the B2030 Board. The membership of the IEB is being reviewed currently to ensure it is fit for purpose and the Inclusive Economy strategy and action plan being developed will ensure the work of the IEB has real impact. RAG Rating - Green</p> <p>Action 2 Assurance that we have the necessary performance data and metrics in place to identify trends and issues and to allow timely and responsive interventions; these are reviewed as part of the work of the Inclusive Economy Board. The Board review Labour Market Intelligence, updated stats on the economically inactive, skills data, town centre footfall data and a plethora of other metrics around business growth, inward investment, property etc</p>				

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	<p>RAG Rating - Green</p> <p>Action 3 Our Enterprising Barnsley team and Employment and Skills team run a number of business support and employment support programmes specifically designed to support businesses and individuals impacted upon through the pandemic and cost of living crisis. These programmes have helped businesses to survive and to stabilise through more effective business planning and opened up entrance level jobs for young people. These programmes are now mainstreamed into the core EB offer for businesses and Employment and skills teams to support them through the next phase of economic turmoil and ensure our businesses and residents can continue to earn good livelihoods for themselves and their families. We have secured funding via SYCMA to reimagine and continue these services with match from base budget, enabling us to continue this successful service to end March 2025. RAG Rating - Green</p> <p>Action 4 The IEB was the focus of an Overview and Scrutiny Task and Finish Group who reviewed the work done to date and produced a report with recommendations. This report was brought into Cabinet and Council for review in Spring 2023 and has been reviewed by IEB Board. It will inform the development of an overarching Inclusive Growth Plan for the Borough going forward. A full response was submitted to Cabinet at its August meeting to further inform cabinet members around this work. RAG Rating - Amber</p> <p>Action 5 Develop an overarching Inclusive Economy Plan for the borough, to incorporate the Local Plan, the work of the Inclusive Economy Board on thriving urban centres and More and Better Jobs, as well as business support, business workspace and inward investment into the borough. A draft spec for the outsourcing of the strategy development work has been undertaken - currently this is being reviewed by the Service Director but will be brought into IEB in September for their input. RAG Rating – Amber</p> <p>Action 6 Deliver the Pathways to Work Commission with key lines of enquiry to identify key pathways to employment for those who are economically inactive or furthest away from the Labour market.</p>				

Risk Title	Risk Description	Impact	Status	Response Rating	SMT Owner
	<p>RAG Rating – Amber</p> <p>Action 7 Develop an Anchor institutions network to ensure core anchor businesses and organisations in the borough deliver optimal social value for Barnsley and are contributing to an inclusive economy. Hold an inception Anchors conference and two meetings per year of the lead members of the network. RAG Rating - Amber</p> <p>Action 8 Convene a 'Levelling Up for Barnsley' subgroup of IEB (with additional external members) to develop an anti-poverty action plan for the borough closely aligned to the Inclusive Economy Plan. Hold a 'Poverty Action' conference to identify our approach to tackling poverty across the borough going forward. RAG Rating - Amber</p>				