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<b>Report To:</b>	<b>Audit Committee</b>	<b>Date:</b>	<b>9 September 2025</b>
<b>Report By:</b>	<b>Head of Legal, Democratic, Digital and Customer Services</b>	<b>Report No:</b>	<b>LS/103/25</b>
<b>Contact Officer:</b>	<b>Deborah Clark</b>	<b>Contact No:</b>	<b>01475 712137</b>
<b>Subject:</b>	<b>ANNUAL REPORT ON RISK MANAGEMENT ACTIVITY 2024/2025</b>		

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## **1.0 PURPOSE AND SUMMARY**

- 1.1 ☐ For Decision ☒ For Information/Noting
- 1.2 The purpose of this report is to present to Committee progress made in 2024/2025 in developing and monitoring a strategic approach to managing risks faced by the Council.

## **2.0 RECOMMENDATIONS**

- 2.1 The Committee is asked to note the progress made in 2024/2025 to maintain a coherent corporate approach to managing risks faced by the Council.

**Lynsey Brown**  
**Head of Legal, Democratic, Digital and Customer Services**

### 3.0 BACKGROUND AND CONTEXT

- 3.1 As stated in its Risk Management Strategy, Inverclyde Council is dedicated to the management of risks within its control to enhance the Corporate Governance process, and in doing so aims to:
- Identify, assess and manage risks;
  - Safeguard the Council's assets; and
  - Enhance the delivery of its services to the Community.
- 3.2 Risk Management is part of the overall Corporate Governance framework for the Council. The responsibility for managing risk lies with service management, with corporate consistency being supported through the Corporate Management Team, Corporate Risk Management Group and Corporate Risk Adviser.
- 3.3 The assurance role of Internal Audit in Risk Management is to provide an opinion of the adequacy and effectiveness of the processes by which risks are identified, prioritised, managed, controlled, mitigated and reported. The assurance extends principally to two main areas, firstly that major business risks are being managed and secondly that the Risk Management and Internal Control Framework is operating effectively.

### 4.0 PROPOSALS

- 4.1 During 2024/2025 the Council continued to value the importance of maintaining the momentum on risk management and progress has been made in the following areas:
- **Risk Registers**
    - Review and update of terminology and format of risk registers to provide a more accurate and consistent approach to recording risk information.
    - Annual review session completed with CMT to review and update Corporate Risk register.
    - Recording, and ongoing update, of Corporate, Committee and Service risk registers via performance management system, Ideagen.
    - Review sessions completed with all services to refresh risk registers in line with service delivery plans, for inclusion into Service and Committee Delivery and Improvement Plans.
  - **Risk management training**
    - Risk training session completed for elected members and CMT.
    - Operational risk training sessions were completed for all service areas on online update of risk registers, supported by an operational risk guidance document.
    - Bespoke risk management training sessions completed for additional council services and HSCP.
  - **Risk mitigation**
    - The Council's Anti-Fraud and Corruption Policy was reviewed and updated and approved by Audit Committee in January 2025.
    - A programme of Safety management system audits has been introduced within the Education service to determine the effectiveness of Inverclyde Council's Health and Safety management system in each establishment.
    - Inverclyde Council continues to follow a comprehensive programme of training, exercising and plan development to support the delivery of its statutory obligations under the Civil Contingencies Act, and associated non-statutory obligations supported by the Joint Civil Contingencies Service (CCS).
    - Business Continuity and Incident Response Plans are regularly reviewed to take

cognisance of both changes in the wider risk landscape and to account for learning from recent incidents such as Storm Eowyn, for which a formal debrief was held and Action Plan developed, which is being monitored for progression through the Council Resilience Management Team.

- Planning and training continues to focus on key risks as identified in local, national and UK-wide assessment and analysis. This includes pandemic planning, for which a Council cohort will participate in Exercise SOLARIS in September 2025, being delivered through the multi-agency Resilience Partnership. Additionally, it should be noted that service areas, such as Digital are proactively developing resilience in risk specific areas such as cyber.
- Digital & Customer Services have been the subject of external Audit reviews and IT Health checks around Cyber security Readiness.
- A risk register for the Financial Strategy continues to be maintained which allows management to consider the risks to the overall financial position arising from matters contained within the Financial Strategy.

## 5.0 IMPLICATIONS

- 5.1 The table below shows whether risks and implications apply if the recommendation(s) is(are) agreed:

SUBJECT	YES	NO
Financial		X
Legal/Risk	X	
Human Resources		X
Strategic (Partnership Plan/Council Plan)	X	
Equalities, Fairer Scotland Duty & Children/Young People's Rights & Wellbeing		X
Environmental & Sustainability		X
Data Protection		X

## 5.2 Finance

One off Costs

Cost Centre	Budget Heading	Budget Years	Proposed Spend this Report	Virement From	Other Comments
N/A					

Annually Recurring Costs/ (Savings)

Cost Centre	Budget Heading	With Effect from	Annual Net Impact	Virement From (If Applicable)	Other Comments
N/A					

### 5.3 Legal/Risk

Effective risk management is an essential element of good management and a sound system of internal control and is a key contributor to good governance and the Annual Governance Statement.

### 5.4 Human Resources

There are no human resources implications arising directly from this report.

### 5.5 Strategic

The risk management framework enables the Council to effectively manage strategic decision- making, service planning and delivery to safeguard the wellbeing of its stakeholders. The likelihood of achieving outcomes is also increased.

This report helps ensure strong governance, and its findings will help support delivery of the Council Plan adopted by Inverclyde Council on 20 April 2023, and in particular outcome theme 3: Performance, with the Council seeking to provide high quality and innovative services that deliver value for money.

### 5.6 Equalities, Fairer Scotland Duty & Children/Young People

There are no Equalities, Fairer Scotland Duty & Children/Young People implications arising directly from this report.

#### (a) Equalities

This report has been considered under the Corporate Equalities Impact Assessment (EqIA) process with the following outcome:

	YES – Assessed as relevant and an EqIA is required.
NO	NO – This report does not introduce a new policy, function or strategy or recommend a substantive change to an existing policy, function or strategy. Therefore, assessed as not relevant and no EqIA is required. Provide any other relevant reasons why an EqIA is not necessary/screening statement.

#### (b) Fairer Scotland Duty

If this report affects or proposes any major strategic decision

Has there been active consideration of how this report's recommendations reduce inequalities of outcome?

	YES – A written statement showing how this report's recommendations reduce inequalities of outcome caused by socio-economic disadvantage has been completed.
NO	NO – Assessed as not relevant under the Fairer Scotland Duty for the following reasons: Provide reasons why the report has been assessed as not relevant.

(c) Children and Young People

Has a Children's Rights and Wellbeing Impact Assessment been carried out?

	YES – Assessed as relevant and a CRWIA is required.
NO	NO – Assessed as not relevant as this report does not involve a new policy, function or strategy or recommends a substantive change to an existing policy, function or strategy which will have an impact on children's rights.

**5.7 Environmental/Sustainability**

Summarise any environmental / climate change impacts which relate to this report.

There are no environmental / climate change implications arising directly from this report.

Has a Strategic Environmental Assessment been carried out?

	YES – assessed as relevant and a Strategic Environmental Assessment is required.
NO	NO – This report does not propose or seek approval for a plan, policy, programme, strategy or document which is like to have significant environmental effects, if implemented.

**5.8 Data Protection**

Has a Data Protection Impact Assessment been carried out?

	YES – This report involves data processing which may result in a high risk to the rights and freedoms of individuals.
NO	NO – Assessed as not relevant as this report does not involve data processing which may result in a high risk to the rights and freedoms of individuals.

**6.0 CONSULTATION**

6.1 Relevant officers have been consulted on the report.

**7.0 BACKGROUND PAPERS**

7.1 Risk Management Strategy.