

AUDIT AND GOVERNANCE COMMITTEE



Report subject	Risk Management - Corporate Risk Register Update
Meeting date	19 March 2026
Status	Public Report
Executive summary	<p>This report updates councillors on the position of the council's Corporate Risk Register. The main updates are as follows:</p> <ul style="list-style-type: none">• CR08 – We may fail to run a fair and open election/referendum. This risk has been added during this quarter.• No risks have been removed or de-escalated during the quarter.• Material updates for this quarter are outlined in section 13.
Recommendations	<p>It is RECOMMENDED that:</p> <p>Members of the Audit and Governance Committee note the update provided in this report relating to corporate risks.</p>
Reason for recommendations	<p>To provide assurance that corporate risks are being managed effectively and continue the development of the council's arrangements for risk management and enhance its governance framework.</p>

Portfolio Holder(s):	Councillor Mike Cox, Portfolio Holder for Finance
Corporate Director	Aidan Dunn, Chief Executive
Report Authors	Fiona Manton Risk & Insurance Manager ☎01202 127055 fiona.manton@bcpcouncil.gov.uk
Wards	Council-wide
Classification	For Update and Information

Background

1. Risk can be broadly defined as the possibility that an action, issue or activity (including inaction) will lead to a loss or an undesirable outcome. It follows that risk management is about the identification, assessment and prioritisation of risks followed by co-ordinated control of the probability and impact of that risk.
2. In accordance with the Financial Regulations and the Risk Management Policy, the Audit and Governance Committee are specifically responsible for ensuring appropriate and effective risk management processes. In practice, this means that the committee members must assure themselves that the council's risk management framework is appropriate and operating effectively. The council's Corporate Risk Register is an important element of this framework and is reviewed and updated on a quarterly basis.
3. BCP Council has in place a new Risk Management Policy. It includes a new level of risk which will sit at the top of the risk framework and all lower level risks will be aligned to one or more of these Enterprise Risks.
4. As this is a new approach it will take some time to fully implement and it is recognised that the policy, the Enterprise Risks, the risk appetite and other areas may need adjustment or refinement over the next 12 months. Corporate Management Board (CMB) will approve any adjustments and these will be brought to the attention of this committee as part of the usual regular risk reporting process.
5. In view of the timing of this update, there has been no change in the way the Corporate Risk Register is being reported.
6. In addition to the quarterly reviews, in immediate practical terms, the Corporate Management Board continues to monitor risks and ensure appropriate and proportionate mitigating actions continue and evolve as risks change.

Corporate Risk Review

7. Members will recall from the previous updates that the Corporate Risk Register was established at the commencement of BCP Council. It has been routinely reviewed on a quarterly basis.

8. In order to provide the committee with insight in terms of the approach to risk management, a summary of the process followed is shown at Appendix 1.
9. To assist in the understanding of prioritisation of risk, the council's risk matrix and definitions is shown at Appendix 2.
10. At Appendix 3 a dashboard is included with summarised information.
11. To assist the committee with the context of the corporate risks, at Appendix 5 is a diagram which outlines the risk hierarchy in place in the organisation. This illustration includes the new Enterprise Risk level that will be referenced in future reports to this committee.
12. Each risk is given a unique identifying number so where risks have been removed from the register the numbers will no longer run sequentially. To assist the committee a table of the full risks is shown at the beginning of Appendix 4. This is ranked according to the net risk score from the highest to the lowest.

Changes in Risk During Quarter 4 – 2025/2026

13. During the quarter, the risks have been reviewed and in addition to the updates to each risk, the material updates to the register are as follows:
 - a) CR08 – We may fail to run a fair and open election/referendum. This risk is added for the quarter to reflect the ongoing preparations for the Town Council elections taking place in May 2026.
 - b) Risk CR20 – Potential of climate change to outstrip our capability to adapt. In addition to the usual quarterly update the Director of Marketing, Comms and Policy has also provided a response to the question previously posed by this committee. In relation to how this risk is communicated to the public, the Director of Marketing, Comms and Policy advises as follows:

BCP Council communicates the specific risks around flooding events in line with its warn and inform duties, working with the Environment Agency and other partners to warn residents and businesses of potential flooding and provide information and instruction on what to do to prepare for and respond if flooding occurs. We also promote the work done by our Flood and Coastal Erosion Risk Management (FCERM) team, most recently their joint strategy with New Forest District Council.

In terms of communicating the broader risk presented by climate change, we promote the work we are doing to reach our net zero targets, such as launching the Local Area Energy Plan (LAEP) or our active travel projects. We also have a live, public Climate Dashboard and publish our Annual Climate Report (the current 2024/25 report is going through the scrutiny process at the moment).
 - c) CR24 – We may fail to adequately address concerns around community safety. This risk is currently lead jointly by the Director of Housing & Public Protection and the Director of Public Health and Communities. Discussions are ongoing to determine a single lead for this risk going forward. An update will be provided to the next meeting of this committee.
 - d) CR27 – We may fail to adequately address concerns around environmental impacts – cliff management/instability. The Director of Commercial Operations has provided the following further update:

The cliff asset database which indicates risk levels for each section of cliff has been developed, this is a live document which is updated regularly in line with inspections. The Cliff Management Strategy is in its final stages of development and is due to be finalised by April 2026. These items and the other approaches to monitoring and mitigations have provided an overall updated target score of 12 against the current net score of 16.

14. Whilst it may be noted that many of the risk scores have not changed, this is not reflective of management action or inaction. Risks will continue to be influenced by a number of factors including national impacts and operational environment changes. During each quarter risk owners routinely review the allocated scores along with further discussion by CMB.
15. During this quarter in addition to the review of individual risks, the connectivity of risks continues to be considered in relation to the Corporate Risk Register. CMB will continue to be mindful of the accumulation of risk. New risk causes may impact across several risks and in turn compound the overall risk position for the council in a negative way.
16. Full details of the updates for this quarter can be found in Appendix 4.

Director Level Risk Review

17. As part of this quarter's considerations, Corporate Directors reviewed the risk registers within their directorates to identify whether any risks currently considered at Director level should be escalated to the corporate risk level. The position was then discussed by CMB as a group to confirm the decisions.
18. As a result of these discussions the following was noted and agreed:
 - a) Corporate Directors will continue to review all risks rated High within their directorates. This currently equates to 39% of the total Director level risks.
 - b) An exercise will be undertaken to ensure all Director level risks have been reviewed within the required timeframes.

Key Assurance Risk Review

19. As part of the overall risk framework and to ensure risks are considered at all levels, CMB also considered those risks identified as part of the key assurance risk framework. This included the following risk registers:
 - Health and Safety and Fire Safety Board
 - Resilience Governance Board
20. At the time of the CMB review the Information Governance Board Risk Register was not updated. It is being updated now ready for the next review cycle.
21. CMB reviewed these risks and considered whether either individual risks or a board level risk needed to be included on the Corporate Risk Register. No risks were escalated from these registers during the quarter.

Dynamic Risk Review Process

22. Recognising the rapidly changing environment and the increasingly complex interaction between some of the corporate risks, a standard agenda item has been added to CMB to add a further layer to the risk review process.

23. This process allows for more dynamic consideration of the immediate responses required to some of the corporate risks, which will help the Corporate Risk Register to be considered, managed and communicated through the organisation.
24. The consideration of the risks in this way will also inform the regular quarterly reviews that continue to take place in a more timely manner, by flagging changes in risk profile ahead of the regular reviews with risk owners, which will continue to take place.
25. In support of the continuing development of the risk framework, the Corporate Strategy Delivery Board continues to complete reviews of risks as part of the standard agenda.

Risk Management Process and Development

26. As set out in paragraph 3., BCP Council has in place a new Risk Management Policy. It includes a new level of risk which will sit at the top of the risk framework and all lower level risks will be aligned to one or more of these Enterprise Risks.
27. As this is a new approach it will take some time to fully implement and it is recognised that the policy, the Enterprise Risks, the risk appetite and other areas may need adjustment or refinement over the next 12 months. CMB will approve any adjustments and these will be brought to the attention of this committee as part of the usual regular risk reporting process.
28. An initial limited workshop was held on 25 February 2026 to begin the refinement of the Enterprise Risks. A further workshop will now be held with CMB to agree the final position on Enterprise Risks. Following this, the work to align all lower level risks will begin.
29. Progress on this exercise will be reported to the next meeting of this committee.

Service Development

30. In addition to the reviews of corporate risks, the Risk Management team continues to be engaged in the refresh of director level risk registers. This includes engaging with services to understand their current risk arrangements, how these can be improved to deliver a proactive and dynamic risk management environment and how the Risk Management team can support them in this to deliver a consistent and embedded approach to risk management throughout the council.
31. As part of the role of the team, continuous “horizon scanning” is undertaken to identify issues that may give rise to risk for the council. When matters are identified, these are raised with the relevant Corporate Director/Director for review and consideration of any necessary action. Examples during this quarter include:
 - Routinely reviewing the outcomes of partial assurance internal audit reports to raise risk issues with the relevant service risk champion to ensure, if appropriate, they are suitably reflected and captured in the directorate risk register.
 - Circulating information from a risk management perspective on various topics.
 - Sharing training opportunities on areas of risk.

32. The new Risk App is now in use with Director Level Risk Registers being updated directly on the system.
33. The suite of dashboards and reports have been identified and will now be considered by ICT in terms of the further development phase which is now underway.
34. Further work on the Risk App will be identified in order to support the implementation of the enterprise level risks.

Summary of financial implications

35. Financial implications relevant to risks are detailed within the relevant risk registers.

Summary of legal implications

36. There are no direct legal implications from this report.

Summary of human resources implications

37. There are no direct human resources implications from this report.

Summary of sustainability impact

38. There are no direct sustainability implications from this report.

Summary of public health implications

39. There are no direct Public Health implications from this report.

Summary of equality implications

40. There are no direct equality implications from this report.

Summary of risk assessment

41. The risk management implications are set out within the content of this report.

Background papers

Risk Management – Corporate Risk Register Update Report to the Audit and Governance Committee on 15 January 2026.

Appendices

- Appendix 1 - Summary of Risk Management Process
- Appendix 2 - BCP Council's Risk Matrix and Definitions
- Appendix 3 - Risk Dashboard
- Appendix 4 - Full Risk Details Including Summary
- Appendix 5 - Risk Hierarchy