

To: Audit and Governance Committee
Date: 23rd July 2025
Report of: Group Finance Director
Title of Report: Risk Management Reporting at 30 June 2025

Summary and recommendations	
Purpose of report:	To update the Audit and Governance Committee on corporate and service risks at 30 June 2025
Key decision:	No
Cabinet Member with responsibility:	Councillor Ed Turner, Cabinet Member for Finance and Asset Management
Corporate Priority:	A Well Run Council
Policy Framework:	None

Recommendation(s): That the Audit and Governance Committee resolves to:

1. Review the risk management report and notes its contents

Appendix No.	Appendix Title	Exempt from Publication
Appendix 1	Corporate Risk Register – Risks and Controls	No
Appendix 2	Corporate Risk Register – Risks Only	No
Appendix 3	Service Risk Register – Risks and Controls	No
Appendix 4	Service Risk Register – Risks Only	No
Appendix 5	Summary of other Councils' risks	No

Risk Scoring Matrix

1. The Council employs a 'five-by-five' risk scoring matrix, assessing risks based on probability and impact. The methodology for evaluating risks is outlined below, accompanied by a scoring matrix.
2. An identical score can give different results in the matrix. If an event has a high probability but a low impact, it will receive a lower rating. However, the greater the potential impact score, the more likely the event will be categorised as an amber risk on the matrix.
3. The risk prioritisation matrix is shown below, showing the scores for red, amber, and green risks.

Probability

Almost Certain	5	5	10	15	20	25
Likely	4	4	8	12	16	20
Possible	3	3	6	9	12	15
Unlikely	2	2	4	6	8	10
Rare	1	1	2	3	4	5
		1	2	3	4	5
		Insignificant	Minor	Moderate	Major	Severe
		Impact				

Risk Identification

4. **Corporate Risks** – The Corporate Leadership Team reviews the Corporate Risk Register (CRR) quarterly. Any new risks are incorporated into a revised version of the CRR. The Corporate Leadership Team reviewed the CRR on 23 June 2025.
5. **Service Risks** – Service-level risks are subject to periodic review by Directors and Service Managers. The Risk Management Group maintains oversight of all service risks and, during its meetings, assesses whether any should be escalated for inclusion in the CRR. On 20 May 2025, the Group reviewed the Housing and Property and Assets risk registers. It was agreed that the Corporate Leadership Team should consider whether three Housing risks should be added to the CRR, and they subsequently were. The next meeting of the Risk Management Group will take place on 26 August 2025, at which the service risk registers for Law, Governance and Strategy, and Planning and Regulation will be presented and reviewed.

Corporate Risk Register

6. The Audit and Governance Committee most recently reviewed the CRR on 20 January 2025. The CRR for 2025/26 is attached as Appendix 1, including controls, and Appendix 2 showing risks only.

7. The table below shows the number of corporate risks on 30 June 2025 compared with the previous reported quarter.

8.

Current Risk	Q3 2024/25	Q1 2025/26
Red	5	6
Amber	7	8
Green	0	0
Total risks	12	14
New risks in half year	1	10
Closed	0	8

9. Details of the CRR risks are as follows:

CRR Red Risks

- **00001 - Financial Stability**

This risk concerns the Council's capacity to deliver its strategic plans and corporate priorities under increasing financial pressure. Key contributing factors include:

- Volatility in income and expenditure
- Inflation-driven cost escalation, affecting materials for capital projects
- Rising service demands, such as temporary accommodation

Compounding pressures on the Oxford model are a more challenging client, inflationary increases incurred by Oxford Direct Services, and a need for OX Place to refresh the business plan for developments once the current plan expires in 2033.

Broader economic weakness may also depress income streams such as commercial rent and business rates. Finally, insufficient governance could increase the risk of overspending and impair the Council's ability to realise required savings.

- **00097 – Flood**

Previously, the Council categorised all types of emergencies under a single Civil Emergencies risk. This new risk focuses on flooding, highlighting concerns over the Council's ability to respond effectively to a major flooding incident. An inadequate response could significantly compromise the Council's capacity to manage the situation.

- **00099 – A utilities infrastructure that does not meet the needs of the city**

This risk identifies that without further investment and partnership working, the city's utility infrastructure will come under increasing strain, adversely impacting

citizens' well-being and the city's prosperity.

- **00100 – Cybersecurity and IT infrastructure resilience**

This single risk replaces the previous separate risks for cybersecurity and IT infrastructure.

- **00102 – Addressing the causes and impacts of climate change**

This risk, which consolidates the former climate change emergency and climate change adaptation risks, relates to factors that could prevent the Council from prioritising efforts to tackle the causes of climate change and mitigate its effects. Failure to do so would harm both residents and the environment.

- **00106 – A failure to deliver Temporary Accommodation strategies to meet demand and increases in homelessness**

This risk assesses the potential consequences if the Council fails to implement effective mitigation measures to control temporary accommodation costs or develop contingency plans to meet the increasing demand for homelessness prevention. It also considers the challenges of securing an adequate housing supply through the private rented sector and the Council's development programme.

CRR Amber Risks

- **00003 – Workforce stability**

This risk relates to the Council's ability to achieve its future ambitions, which may be undermined by challenges in recruiting and retaining staff in key strategic corporate support areas such as Legal and ICT.

- **00006 – Failure to comply with governance requirements**

This new risk concerns the possibility that the Council may fail to comply with the Constitution and governance requirements as set out in law.

- **00009 – Political and partnership landscape – Local and national**

This risk concerns uncertainty about the future political landscape at both a national, regional, and local level, as Local Government Reorganisation and Devolution are progressed.

- **00011 – Increased demand for services**

There is a growing demand for Council services. This is driven by sustained cost-of-living pressures, rising accommodation costs, diminishing disposable income, and increasing levels of personal debt.

- **00098 – Adverse weather, terrorism, and utility outage**

Previously, the Council grouped all types of emergencies under a single Civil Emergencies risk. This newly identified risk specifically addresses adverse weather, terrorism, and utility outages, highlighting issues that would impact the Council's ability to respond effectively to a major incident.

- **00104 – The workforce and public are healthy and safe**

This risk concerns the Council's ability to manage health and safety effectively. Failure to do so could put both employees and the public at risk, potentially resulting in injury, illness, or loss of life.

- **00105 – A failure to deliver housing priorities and business plans**

This risk relates to the Council's ability to mitigate financial pressures within the Housing Revenue Account. These pressures will intensify if the Council, as the local housing authority, fails to meet its housing prevention priorities for homelessness or deliver its Housing Revenue Account business plan and Asset Strategy objectives.

- **00107 – Failure to meet Social Housing (Regulation) Act customer and consumer standards**

This risk evaluates the potential impact if the Council, in its capacity as a landlord, fails to fully comply with the Social Housing (Regulation) Act customer standards, particularly the Safety and Quality Consumer Standard. Such a failure could result in a major incident that compromises tenant safety, leading to sanctions, regulatory intervention, and severe reputational damage.

CRR Green Risks

There are no green risks in the CRR.

Risks that are no longer in the Corporate Risk Register:

- **CRR-002 – The Oxford Model**

The financial aspects of this risk are now included in Risk 00001 Financial Stability.

- **CRR-004 – Cyber Security**

This risk has now been incorporated into Risk 00100 Cybersecurity and IT infrastructure resilience.

- **CRR-005 – Information / Technology**

This risk has now been incorporated into Risk 00100 Cybersecurity and IT infrastructure resilience.

- **CRR-006 – Health and safety and compliance with legislative requirements**

This risk has now been replaced by three risks: Risk 00006—Failure to comply with governance requirements, Risk 00103—Failure to comply with regulations and statutory compliance, and Risk 00104—Ensuring the health and safety of the workforce and the public.

- **CRR-007 – Climate Change - Emergency**

This risk has now been incorporated into Risk 00102 – Addressing the causes and impacts of climate change.

- **CRR-008 – Climate Change - Adaptation**

This risk has now been incorporated into Risk 00102 – Addressing the causes and impacts of climate change.

- **CRR-010 – Civil emergency**

This risk has now been replaced by Risk 00097 – Flood and Risk 00098 – Adverse weather, terrorism, and utility outage.

- **CRR-012 – Increased costs and complexity for waste**

This red risk is now amber and is on the service risk register.

Corporate risks on other councils' risk registers:

10. Risk registers from three other councils have been reviewed and compared with those of Oxford City Council. The format and content are broadly aligned, with each risk clearly defined, accompanied by an assessment of impact, a risk score, ownership allocation, and identified control measures. A list of the risks identified in these registers is provided in Appendix 5. The Corporate Leadership Team has reviewed these and is satisfied that the Council's risk registers adequately capture its most significant risks.

Service Risk Registers

11. As part of the service planning process, all service risks are reviewed. Those no longer relevant are deleted, and any new ones added. The service risk register is attached as Appendix 3, showing risks and controls, and at Appendix 4, showing risks only.

12. The table below shows the number of service risks at 30 June 2025 compared with the previous reported quarters.

Current Risk	Q1 2024/25	Q3 2024/25	Q4 2024/25	Q1 2025/26
Red	10	11	11	10
Amber	44	43	42	52
Green	17	27	26	32
Total Risks	71	81	79	94
New Risks in the Quarter	0	10	0	25
Closed	2	0	2	10

13. Details of the red service risks are as follows:

- **00027 - Planning**

External delays - Delays to Council projects arising from external agencies may impact overall Council performance, resulting in missed targets and reduced effectiveness.

- **00033 – Property and Assets**

Quality of data and property knowledge – Failure to implement an asset management system capable of storing and analysing data may hinder the Council’s ability to effectively plan and schedule work. This could result in delays to property lettings, difficulties in providing timely insurance information, and increased risk of non-compliance.

- **00034 – Law, Governance and Strategy**

Resilience of service – An inability to effectively deliver services required by the Council and to deliver critical projects and support statutory and non-statutory functions will have a direct impact on risk, compliance, expenditure, and income to the Council. Furthermore, inadequate staffing and the requirement for expertise in response to major incidents may necessitate increased reliance on external support or lead to operational delays.

- **00035 – Planning**

If Government legislation requiring substantial changes in the planning system results in a need for redesigned processes, then there will be a lack of capacity to meet the changes, and the delivery of local policy objectives will be undermined.

- **00046 – Law, Governance and Strategy**

The use of the budget is reactive and therefore, as unexpected corporate issues arise, external legal costs increase, which will lead to an overspend on the legal services budget, and potentially pressure on other service area budgets as they may need to fund work.

- **00055 – Law, Governance and Strategy**

Income target not achieved – A failure to secure external work causes income targets not to be achieved, resulting in budgetary pressure. Income generation is purely reactive; for example, should the Planning Department require fewer s106 agreements, the Council will suffer a reduction in legal income.

- **00056 - Financial Services**

Management effectiveness and the ability of employees to deliver services - If an increased workload places excessive pressure on staff and managers, then there might be an increase in staff stress and burnout, resulting in a lack of capacity to deliver work demands.

- **00065 - Law and Governance**

A data protection breach and noncompliance with data protection law. This can be caused by a failure of Council staff or suppliers to properly safeguard data and has been caused by outside actors having unauthorised access to data.

- **00094 – Financial Services**

If the Council is unable to provide adequate information about the construction of existing buildings in its ownership and their valuations, its Insurers may continue to provide insurance that does not meet the full needs of the Council and exposes it to uninsured risks and financial loss.

- **00096 – Property Assets**

If there is a lack of legal support, the Council will be unable to meet income, capital receipt, and project targets. Alternatively, external legal spend will be more costly and will result in an increase in financial pressure.

- **00126 – Communities and Citizen Services**

Failure to achieve the necessary savings may result in financial pressure on the Council and/or a decline in the quality of services delivered, as cost-cutting measures may need to be implemented.

Alternative options considered

14. None.

Other implications

15. None.

Financial Implications

16. There are no financial implications directly associated with the risk registers, although the management of risk is essential to the operation of the Council, the pursuit of its priorities, and its financial integrity.

Legal Implications

17. There are no legal implications directly relevant to this report, but having proper arrangements to manage risk throughout the organisation is an important component of good corporate governance and good business management.

Level of risk

18. There is no further risk associated with this report.

Report author	Roger Martin
Job title	Insurance, Risk Management, and Business Continuity Officer
Service area or department	Financial Services
Telephone	07483010703
e-mail	Email: RoMartin@oxford.gov.uk