

Risk Management Q2 2025/26 Report – Part I

Committee considering report:	Governance Committee
Date of Committee:	27 January 2026
Portfolio Member:	Cllr Iain Cottingham
Date Service Director agreed report:	19 December 2025
Date Portfolio Member agreed report:	14 January 2026
Report Author:	Martyn Sargeant / Beatriz Teixeira

1. Purpose of the Report

- 1.1 To highlight the 16 corporate risks (as at the end of September 2025) that need to be considered by the committee and outline the actions that were being taken to mitigate those risks, in accordance with the [West Berkshire Council Risk Management Strategy](#)
- 1.2 To call attention to changes observed in the Corporate Risk Register (CRR) during the reference period, more specifically, those related to a change in scoring or to the closure or inclusion of a risk in the register.

2. Implications and Impact Assessment

Implication	Commentary		
Financial:	None.		
Human Resource:	None.		
Legal:	None.		
Risk Management:	The report outlines the key risks that Corporate Board are monitoring / managing at present.		
Property:	None.		
Policy:	There is no policy implications associated with this report.		
	Positive	Neutral	Negative
			Commentary
Equalities Impact:			
A Are there any aspects of the proposed decision, including how		x	

it is delivered or accessed, that could impact on inequality?				
B Will the proposed decision have an impact upon the lives of people with protected characteristics, including employees and service users?		x		
Environmental Impact:		x		
Health Impact:		x		
ICT or Digital Services Impact:		x		
Council Strategy Priorities or Business as Usual:	x			Risk management activities support the delivery of the objectives relevant to the Council Strategy priorities and other business as usual areas.
Data Impact:		x		
Consultation and Engagement:	The report is based on the updated Service Risk Registers provided by Service Directors. The updating of the Service Risk Registers includes a requirement that changes are discussed at the relevant Directorate Management Team meetings and approved by relevant Portfolio Holder. Corporate Management Team receives a copy of this report.			

3. Executive Summary

- 3.1 This report summarises a range of information relating to the Corporate Risk Register (CRR) and analyses any developments and emerging risks. It updates the committee on key issues and actions that they should be aware of.
- 3.2 During quarter 1 of 2025/2026 (as of 30 June 2025) the following changes were made to the CRR, all in the Resources directorate
- (a) One asset-related risk had its score increased from 15 to 20
 - (b) One financial risk last scored at 12 was closed.
 - (c) One compliance risk was escalated to the CRR.
- 3.3 During quarter 2 of 2025/2026 (as of 30 September 2025) the following changes were made to the CRR:
- (d) The score reduction of three risks from the Place directorate – two compliance (one from 16 to 12 and the other from 12 to 9) and one personal (from 9 to 6) risk.

- (e) One financial risk from the Resources directorate was increased from 20 to 25, the highest possible score according to the Council's Risk Management Strategy.
- 3.4 More detailed information on the modifications to the Corporate Risk Register can be found in Part II of this report (Part II - Appendix A: Changes in the CRR)
- 3.5 The submission of a part II report is due to the presence of exempt information, in accordance with Part 1 of Schedule 12A of the Local Government Act 1972, as amended by the [Local Government \(Access to Information\)\(Variation\) Order 2006](#). [Rule 8.10.4 of the Constitution also refers](#). More specifically, information relating to:
 - financial/business affairs of particular person
 - legal privilege
 - proposed action to be taken by the Local Authority
- 3.6 The report introduces a new configuration to the presentation of the risk register, incorporating to the table overview the respective levels of acceptable risk exposure, in line with the [Council's Risk Management Strategy](#).

4. Assurance on the risk management approach

- 4.1 At its meeting on 30 September 2025, the Governance Committee highlighted the importance of risk management assurance – essentially that the procedures in place are enabling the Council to effectively manage and mitigate its risks. The Committee asked for an update at a future meeting.
- 4.2 The risk management strategy agreed in 2024 strengthened the Council's approach to risk management, particularly in its introduction of an assessment of the organisation's risk appetite. This enables the Council to assess whether a risk rating falls within an acceptable level of tolerance. For example, an operational risk may be rated with a net score of 12 (probability of three and impact of four). However, the Council's operational risk appetite is 'open' with an associated appetite score of up to 16. As such, a score of 12 is within appetite. Conversely, a financial risk with a net rating of 20 (probability of five and impact of four) significantly exceeds the maximum 'flexible' appetite score of 11. The latter risk therefore merits greater scrutiny.

- 4.3 The matrix below maps the risk scorings associated with the different risk exposure levels. These were the thresholds utilised to assess if the risks currently in the Corporate Risk Register exceed acceptable parameters as set by the Risk Management Strategy (Figure 1).



Figure 1. Heat map of risk appetite levels and Risk appetite levels according to the Risk Management Strategy

- 4.4 The table at paragraph 6.1 now includes details of the relevant appetite parameters and ranks each risk according to whether it exceeds the appetite and to what extent. This is done with a simple RAG rating as follows:
- RED: exceeds appetite threshold by three or more points.
 - AMBER: exceeds appetite threshold by up to two points.
 - GREEN: at or below the appetite threshold.
- 4.5 This will enable both officers and the Committee to focus their scrutiny on the highest risk issues outside appetite, whilst also having an overview of all the Council's key risks.
- 4.6 Please note that during the review of the risk appetite levels for the reconfiguration of the Corporate Risk Register overview table, it was observed that although the Risk Management Strategy outlines thresholds for *personal, staff, or customer* risks, it does not specify a distinct risk appetite for risks of this nature. In a conservative approach, this report has therefore applied an acceptable risk appetite of *Cautious* to *personal, staff, or customer*-related risks. In light of this, the report submits this assessment to

the Committee for review, seeking confirmation on whether such risks should continue to be treated with a *cautious* appetite or whether the Committee would prefer to establish an alternative tolerance level

- 4.7 The Council has taken the first step in evolving its risk management approach by applying the appetite principle at a corporate level. In order to strengthen this further, it is recommended a similar exercise should be conducted at directorate level. This enables greater nuance to be applied in considering risks because risk appetite will vary according to the service – for example, very little latitude may be appropriate in terms of compliance in children’s services, whereas greater leeway may be appropriate in another area.
- 4.8 In addition, where it is not already happening, it is recommended that a review of the directorate risk register should be carried out by leadership teams on a quarterly basis, in order to ensure:
- Pertinent risks are being captured.
 - Mitigations are appropriate and robust.
 - Risks are escalated to the corporate register when that is required.

5. Corporate Risk Register Heat Map (public version)

- 5.1 The Corporate Risk Register (CRR) is designed to summarise all major risks escalated by Directors and Service Leads for action or active monitoring at corporate level. The method used to score risks is detailed as part of the Risk Management Strategy. The risks and their respective scores can be found in the table below.

Directorate	Primary Risk Category	Current Score (Q2)		Score Variation from Q4
Resources	Assets (Physical & Information)	20	Extreme	↑5
Resources	Financial loss	25	Extreme	↑5
People (Children)	Financial loss	16	Extreme	0
Place	Compliance (litigation, regulatory, contract)	12	High	↓4
Place	Compliance (litigation, regulatory, contract)	16	Extreme	0
Place	Reputation	12	High	0
Place	Compliance (litigation, regulatory, contract)	12	High	0
Place	Personal, Staff or Customer	9	High	↓3
Resources	Compliance (Litigation, Regulatory, Contract)	12	High	New
People (Children)	Personal, Staff or Customer	10	High	0
People (Children)	Personal, Staff or Customer	9	High	0
People (Children)	Personal, Staff or Customer	9	High	0
Place	Personal, Staff or Customer	6	Moderate	↓3
Place	Personal, Staff or Customer	9	High	0
Resources	Financial loss	9	High	0
People (Adults)	Financial loss	8	High	0
People (Children)	Reputation	Closed		N/A

Table 1. Risk scores (public version)

- 5.2 As of the end of Q2, the 16 risks in the CRR (Figure 2) were categorised as such: 4 *extreme*, 11 *high*, and 1 *moderate* (Figure 4). The most common primary risk category is *personal, staff or customer*, which accounts for 6 risks. The categories *financial* and *compliance* come in second, with 4 risks each. The classification of all risks in the CRR is illustrated in the graphs below (Figure 3).
- 5.3 It is worth noting that at the end of Q4 2024/25, there were also 16 risks recorded in the corporate risk register. However, the register has been modified, with the closure of one risk and the inclusion of another

Risk Management – Q2 2025/26

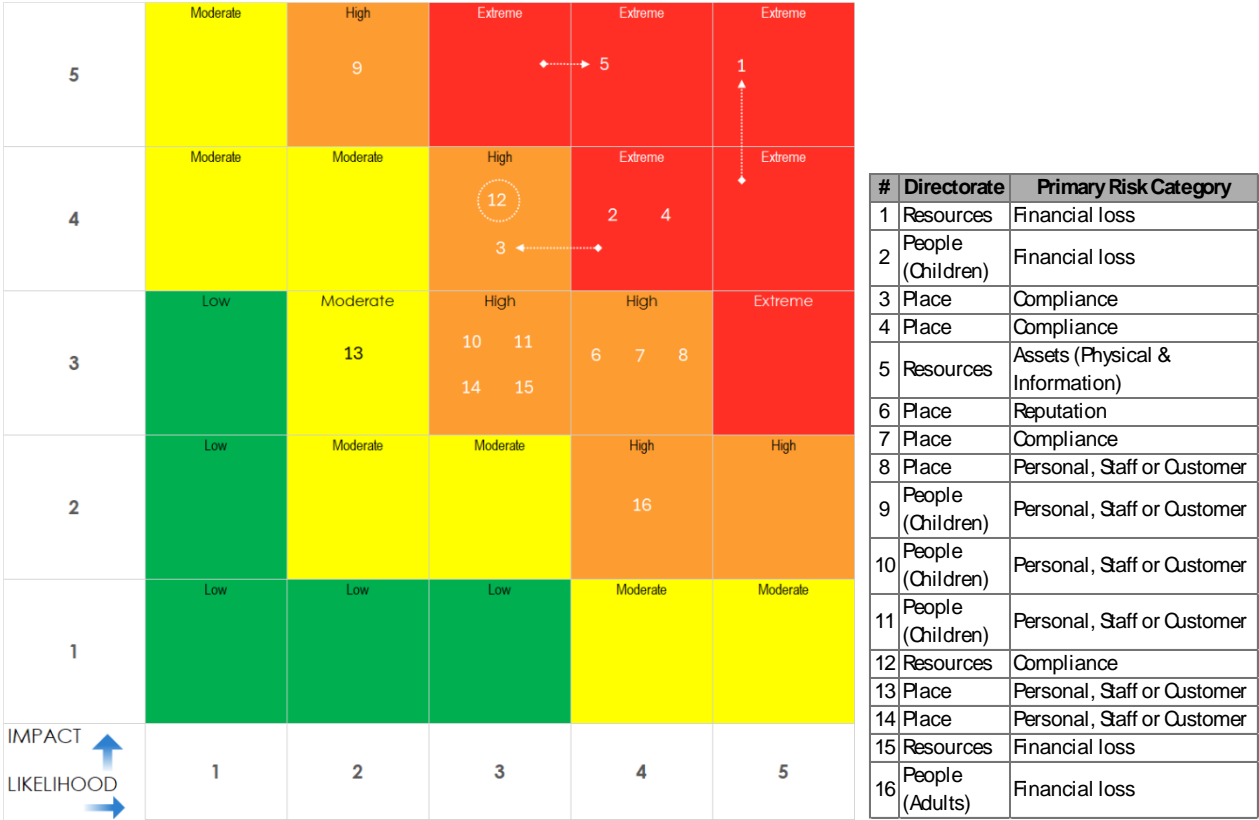


Figure 2. Heat map with current risk scores (public version)

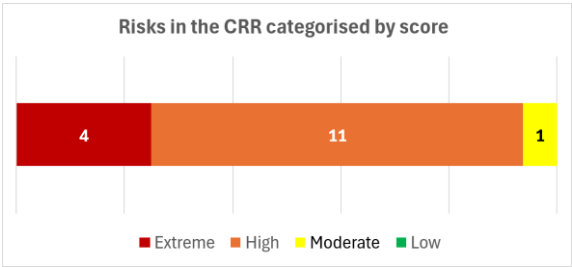


Figure 4. Risks in CRR by risk score

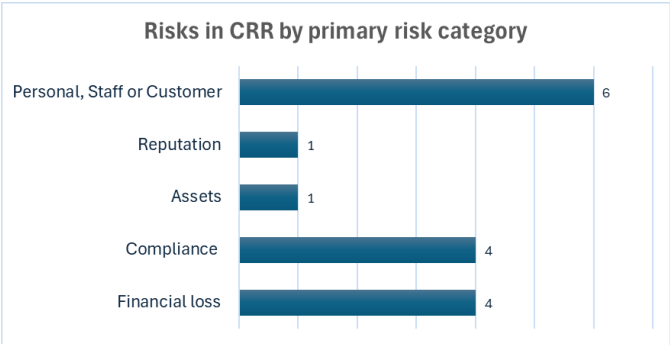


Figure 3. Risks in CRR by primary category

6. Overview of the Corporate Risk Register (public version)

6.1 The table below presents the exposure levels of the 16 risks in the CRR vis-à-vis their acceptable levels according to the Risk Management Strategy (Table 2).

Directorate	Primary Risk Category	Current Score (Q2)	Score Variation from Q4	Acceptable Risk Exposure	Current Risk Exposure	Deviation from Risk Appetite
Resources	Assets (Physical & Information)	20	↑5	Flexible	Seeking	+ 10
Resources	Financial loss	25	↑5	Flexible	Seeking	+ 15
People (Children)	Financial loss	16	0	Flexible	Seeking	+ 6
Place	Compliance	12	↓4	Flexible/ Open	Open	No deviation
Place	Compliance	16	0	Flexible/ Open	Seeking	+ 1
Place	Reputation	12	0	Open	Open	No deviation
Place	Compliance	12	0	Flexible/ Open	Open	No deviation
Place	Personal, Staff or Customer	9	↓3	Cautious	Flexible	+ 1
Resources	Compliance	12	New	Flexible/ Open	Open	No deviation
People (Children)	Personal, Staff or Customer	10	0	Cautious	Flexible	+ 2
People (Children)	Personal, Staff or Customer	9	0	Cautious	Flexible	+ 1
People (Children)	Personal, Staff or Customer	9	0	Cautious	Flexible	+ 1
Place	Personal, Staff or Customer	6	↓3	Cautious	Cautious	No deviation
Place	Personal, Staff or Customer	9	0	Cautious	Flexible	+ 1
Resources	Financial loss	9	0	Flexible	Flexible	No deviation
People (Adults)	Financial loss	8	0	Flexible	Cautious	- 1
People (Children)	Reputation	Closed	N/A	Open	N/A	No deviation

Table 2. Overview of Corporate Risk Register (Public Version)

- 6.2 As shown in the table, the scores attributed to nine of the risks currently in the Corporate Risk Register exceed the acceptable levels of risk appetite set in the Council's Strategy – three of them by more than 3 points. The remaining risks are currently within or below the acceptable risk levels, as illustrated in Figure 5.

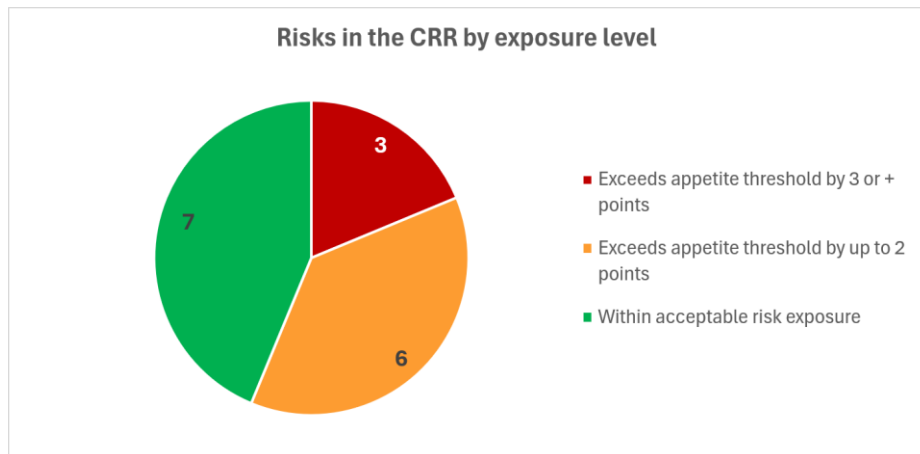


Figure 5. Risks in CRR according to their acceptable exposure levels

- 6.3 More details on the risks currently in the Corporate Register, information on mitigation actions in place and on emerging risks are available in Part II of this report (Appendix B: Overview Corporate Risks).

7. Recommendation(s)

- 7.1 That the Committee be informed of the current (as at the end of September 2025) position and actions undertaken to minimise the impact for existing 16 risks on the Corporate Risk Register (CRR), which are described in Appendix B and detailed in Appendix C, in the confidential Part II of this report.
- 7.2 That the Committee confirm the suitability of the new approach of CRR visualisation which incorporates risk appetites to assesses each individual risk in relation to the levels deemed acceptable by the Council's Risk Management Strategy.
- 7.3 That the Committee approves the proposed rectification of the omission in the Council Strategy to determine the risk appetite for *personal, staff or customer* risks as *cautious* until the time comes for the overall review of the current strategy (2024-2027)..

8. Conclusion

- 8.1 The report highlighted the variations observed in the Corporate Risk Register until the end of Q2 2025/2026 (30 September 2025). At time of reporting, there were **16 risks** in the CRR, all of which have been assessed in accordance with the Risk Management Strategy, including the acceptable exposure levels as per the Council's risk appetite.

8.2 More information on individual risks and the actions in place and planned for their mitigation can be found in the Part II of this report, more specifically in:

Appendix A – Changes in the Corporate Risk Register

Appendix B – Overview of the Corporate Risk Register (Confidential)

Appendix C – Detailed Corporate Risk Register (Confidential)

Background Papers:

None

Subject to Call-In:

Yes: ☐ No: ☒

The item is due to be referred to Council for final approval	<input type="checkbox"/>
Delays in implementation could have serious financial implications for the Council	<input type="checkbox"/>
Delays in implementation could compromise the Council's position	<input type="checkbox"/>
Considered or reviewed by Overview and Scrutiny Management Commission or associated Task Groups within preceding six months	<input type="checkbox"/>
Item is Urgent Key Decision	<input type="checkbox"/>
Report is to note only	<input checked="" type="checkbox"/>

Wards affected: All

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