

MIDDLESBROUGH COUNCIL



Report of: Chief Executive

Submitted to: Audit Committee

Date: 19 February 2026

Title: Risk Management: Biannual Strategic Risk Register Review

Report for: Decision

Status: Public

Council Plan priority: Delivering Best Value

Proposed decision(s)

That the Audit Committee:

NOTES the arrangements in place to manage the Strategic Risk Register within the Council and progress made.

AGREES that the information provides assurance that the governance of the Strategic Risk Register are suitable.

Executive summary

This report provides a mid-year update to the Committee on the current content of the Council's Strategic Risk Register. Provision of this report supports the Committee to fulfil its governance and oversight responsibilities.

1. Purpose

1. The purpose of this report is to outline the Council's approach to strategic risk management and summarise activity in the past six months.

2. Recommendations

2.1 That the Audit Committee:

- **NOTES** the arrangements in place to manage the Strategic Risk Register within the Council and progress made.
- **AGREES** that the information provides assurance that governance of the Strategic Risk Register is suitable.

3. Background and relevant information

3.1 Risk management is a critical element of corporate governance and is a statutory requirement for public sector organisations. The council is required to provide for the health and safety of its elected members, employees, and those that it serves. It has a duty to ensure effective planning for civil emergencies and is required to protect its assets and to take steps to minimise losses and liabilities.

3.2 The purpose of Risk Management is to identify and manage risks to reduce their likelihood of occurring and reduce their impact, should they occur. The council is committed to maintaining a systematic and cost-effective approach to the identification and management of risk that is consistent with best practice and complies with statutory and audit requirements.

The Council's approach

3.3 Risk Management is the collective responsibility of all elected Members and officers of the Council. The Council's approach to Risk Management is articulated by the Risk Management Framework and Policy which was reviewed by Executive in July 2023.

3.4 The Council uses risk registers to manage the various risks it identifies. The overarching risk register is called the Strategic Risk Register (SRR). This register captures the most significant risks the organisation is exposed to that could impact on its ability to deliver its strategic priorities which are outlined in the strategic plan.

3.5 This SRR is underpinned by directorate level risk registers which are monitored by directors. Within project and programmes, risks are captured using standardised project documentation which includes risk registers. There are processes in place to ensure risks are considered either as they are managed during business-as-usual processes or throughout the life of a project and that they are escalated and de-escalated as appropriate.

3.6 In addition to reporting biannually, the Council's overall approach on Strategic Risk Management to this Committee, a summary of the SRR is monitored monthly in the performance deck and reviewed every three months by the Leadership and Management Team.

3.7 A summary of the current SRR is appended to this report at Appendix 1.

Risk Identification and Monitoring

3.8 Horizon scanning identifies significant emerging risks that the Council should be aware of and how they impact on the organisation. The information from this is considered by LMT and the outcome is reflected within risk registers as appropriate.

Strategic Risk Register

3.9 In the last six months two new strategic risks have been added detailed below:

- **SR-17** - Funding for key external projects led by the Tees Valley Combined Authority (TVCA) or Middlesbrough Development Corporation (MDC) - If there is a funding gap for key projects led by the Tees Valley Combined Authority (TVCA) and its Mayoral Development Corporation (MDC) that results in a risk of delays, disruption, or failure to deliver on key regeneration sites in the town centre. This could negatively affect economic growth, community development, and investor confidence in the region.
- **SR-18** - Ineffective governance of the Tees Valley Combined Authority (TVCA) - The governance arrangements of the Combined Authority (CA) are not fit for purpose, creating barriers to effective collaboration with the Council and adversely impacting the Council's ability to achieve its ambitions for the town. This misalignment could hinder regional development, compromise strategic initiatives, impact financially on the Council and damage stakeholder confidence.

3.10 The following actions were identified to manage these risks:

- **SR-17a** Working with Tees Valley Combined Authority / Middlesbrough Development Corporation (TVCA/MDC) to develop a realistic delivery plan against essential projects.
- **SR-18a** Review the reports of the improvement panel as they are published to identify actions that Middlesbrough Council can take to support the TVCA to improve governance and relationships
- **SR-18b** Regular provision of advice to Middlesbrough Council representatives who sit on various TVCA bodies to ensure they are able to deliver their roles in full and with regard to good governance

3.10.1.1 In the last six months one strategic risk has been deactivated and moved from strategic risk to directorate risk detailed below:

- **SR-07** - Unable to recruit and retain key staff - If the Council is unable to recruit and retain key staff, then this could impact on its ability to deliver critical services which could cause harm to people and could result in government intervention.
- This risk is now held under Legal and Corporate Services as - **DR-08-076**.

3.11 A summary of updates to the SRR can be seen below:

Strategic Risk Register	August 2025 – January 2026
New Risks	2
New Actions	8
Completed Actions	11
New Assessments	5
Deactivated Risks	1
Deactivated Complete Actions	60

3.12 The Strategic Risk Register has a supporting suite of Directorate Risk Registers. Escalations and de-escalations of risk are agreed by the Council's Leadership team. In addition, directorate management teams review their risks, monthly. This and other measures ensure the Council has a grip on its risk management approach. Below is a summary position of actions taken during last 6 months to manage risks held at the directorate level:

Directorate Risk Register	Regeneration and Housing	Adult Social Care and Health	Public Health	Children's Services	Environment, Community and Culture	Finance	Legal and Corporate Services
New Risks	0	0	0	3	0	2	6
New Actions	0	0	2	31	2	7	27
Completed Actions	3	10	0	2	2	5	5
New Assessments	2	4	1	1	2	3	6
Deactivated Risks	0	0	3	0	1	3	1

Horizon Scan

3.13 The Council regularly reviews the policy landscape and national reports to identify and review its risks. Current risks on the horizon include:

- AI - AI has the potential to enhance workstreams and improve capacity. However, a lack of understanding of these systems can have catastrophic consequences. Work is ongoing to understand these risks.

- Cyber – Ongoing understanding of the cyber landscape is imperative to ensure that the Council manages its infrastructure effectively to prevent potential threats.
- Devolution – With the government’s move towards devolution of power there could be risks surrounding accountability and governance if the correct processes and procedures are not put into place.

4. Other potential alternative(s) and why these have not been recommended

4.1 Members could choose to decide that they do not have sufficient information to be assured that the Council’s governance in relation to Risk and Opportunities management is sufficient.

4.2 This is not recommended as sufficient information has been provided.

5. Impact(s) of the recommended decision(s)

Topic	Impact
Financial (including procurement and Social Value)	<p>There are no new direct financial considerations in relation to risk management because of this report. By having robust risk registers in place which are regularly reviewed at the correct levels ensures that the Council will be better placed to mitigate against the following:</p> <ul style="list-style-type: none"> • Financial implications. • Reputational damage. <p>Benefits arising from robust risk management are as follows:</p> <ul style="list-style-type: none"> • Health and wellbeing of members, officers, and members of the public. • Informs business decisions. • Enables a more effective use of resources. • Enhances strategic and business planning. • Strengthens contingency planning.
Legal	<p>Risk Management is a part of the corporate governance framework. The proposed activity is consistent with and will promote the achievement of the Council’s legal duty to achieve Best Value for Money.</p>
Risk	<p>Risk management positively impacts on all risks within the Council’s risk registers. Providing this report to the Committee to assist it to fulfil its role, primarily positively impacts on the risk that the Council fails to achieve good governance.</p>
Human Rights, Public Sector Equality Duty and Community Cohesion	<p>There are no direct implications from this report on human rights, equality and diversity.</p>
Reducing poverty	<p>Strong risk management in the Local Authority would support work of the Council to reduce poverty in the town.</p>

Climate Change / Environmental	There are no direct implications from this report on climate change or the environment.
Children and Young People Cared for by the Authority and Care Leavers	Good business continuity management and Disaster Recovery within Children's Services and Adult Social Care and Health Integration directorates will ensure that the correct level of support is given during a business continuity event to Children, Young People and Care Leavers.
Data Protection	Risk management arrangements are a critical control to ensure compliance with data protection legislation in particular the availability of personal data to avoid personal data breaches and wider compliance with the relevant regulations.

Appendices

1	Strategic Risk Register
----------	-------------------------

Background papers

Body	Report title	Date
Audit Committee	Risk Management: Bi-Annual Strategic Risk Register Review	19/02/2026

Contact: Gary Welch

Email: gary_welch@middlesbrough.gov.uk