



## **1. EXECUTIVE SUMMARY**

- 1.1** This report sets out the Strategic Risk Register for Cotswold District Council which has been reviewed by the Corporate Leadership Team ("CLT") during Q1 and Q2 of the current financial year.
- 1.2** The Strategic Risk Register will be considered by Audit and Governance Committee at their meeting on 05 October 2026. The committee reviewed the Q4 risk register at their meeting on 27 July 2026 and discussed the risk on Civil Contingency/Major Event (CDC\_SRR\_252610) with a focus on business continuity plans. Comments were also made on the definition of the Health and Safety Compliance risk (CDC\_SRR\_252603).
- 1.3** The risks set out in Annex C-1 and provides an update of the authority's strategic risks and the risk management work being undertaken; to assist the committee in fulfilling their obligations to periodically review the authority's Corporate Risk Register and to consider the effectiveness of the council's risk management arrangements.

## **2. BACKGROUND**

- 2.1** Audit and Governance Committee considered the Risk and Opportunity Management Policy at their meeting on 09 April 2026. The policy outlined sets the Council's approach to risk and opportunity management including defining what is Risk and Opportunity Management, our risk appetite as a council, definitions, roles, and responsibilities, and how risk management is embedded across the organisation.
- 2.2** The Council's risk appetite level is Cautious, although this can change on a risk-to-risk basis. It is willing to consider all potential options but with well evaluated risks and learning from experience. The risk appetites considered in the policy are shown below for information.

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**COTSWOLD**  
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| Averse                                                                                                                                                                 | Cautious                                                                                                                                                                               | Creative and Aware                                                                                                                                                                                              | Eager                                                                                                                                                                                                                             |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> <li>• Safe Business delivery options with low risks limited reward</li> <li>• Reluctant to take action given uncertainty</li> </ul> | <ul style="list-style-type: none"> <li>• Safe delivery of options that have a medium degree of risk and potential for reward</li> <li>• Tight corporate control over change</li> </ul> | <ul style="list-style-type: none"> <li>• Willing to consider all potential options that are most likely to result in success</li> <li>• Well evaluated risk taking</li> <li>• Learns from experience</li> </ul> | <ul style="list-style-type: none"> <li>• Eager to be creative and innovative</li> <li>• Higher rewards despite inherent risk</li> <li>• Willing to accept significant loss</li> <li>• Actions when results are unknown</li> </ul> |

- 2.3** Accepted best practice is for risk management to be reported to members on a regular basis.
- 2.4** External Audit, as part of the annual assessment of the Council's arrangements for securing economy, efficiency and effectiveness (Value for Money) have recommended that the frequency of the review of the strategic risk register should be quarterly.
- 2.5** The Council's constitution sets out the role of Audit and Governance Committee includes "Monitoring the arrangements for the identification, monitoring and control of strategic and operational risk within the Council" and "consider summaries of specific risk management reports, quarterly."
- 2.6** Members should view this review in response to the recommendation, and it is proposed that the strategic risk register is included in the work programme for the committee with a quarterly review frequency.
- 2.7** As an additional measure, the strategic risk register is reviewed by Cabinet on a quarterly basis and is aligned to the wider service and financial performance reporting cycle.



### 3. MAIN POINTS

**3.1** In assessing risk, the Council utilises a 5x5 matrix (as shown below) with a score given to the Initial Risk and the Residual Risk (Current Risk)

| Likelihood | 5      | 5 | 10 | 15 | 20 | 25 |
|------------|--------|---|----|----|----|----|
|            | 4      | 4 | 8  | 12 | 16 | 20 |
|            | 3      | 3 | 6  | 9  | 12 | 15 |
|            | 2      | 2 | 4  | 6  | 8  | 10 |
|            | 1      | 1 | 2  | 3  | 4  | 5  |
|            |        | 1 | 2  | 3  | 4  | 5  |
|            | Impact |   |    |    |    |    |

**3.2** The strategic risks facing the Council are set out in Annex C-1 and are considered the risks that could impact the successful achievement of the Council's long-term core objectives, priorities, reputation, and outcomes. These risks are classed as strategic as these are no able to be managed at service level.

**3.3** The risks are summarised below for the purposes of this report, but members are encouraged to review Annex C-1.

- 1 risk scored 16 (Red) – Local Plan (No Change)
- 3 risks scored 15 (Red) – Cyber Security, Health and Safety Compliance, Civil Contingency/Major Event (No Change).
- 7 risks scored 9 (Amber) – Financial Sustainability (reduction in risk score from 12), Contractor Failure, Compliance GDPR/Data breach, Staff recruitment and retention, Service Standards (LGR impact), Staff capacity (LGR workload), Fraud & Corruption.

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- 3 risks scored 6 (Amber) – Corporate Plan Delivery (reduction in score of 3), Resilience – Democracy (reduction in score of 3), Procurement (no change).
- 1 risk was de-escalated – PCI/DSS compliance

**3.4** Further controls, mitigation, or contingency is detailed for each risk set out in Annex C-1 with follow-up action where appropriate.

### **4. FINANCIAL IMPLICATIONS**

**4.1** There are no financial implications arising directly from this report.

### **5. LEGAL IMPLICATIONS**

**5.1** There are no legal implications arising directly from this report.

### **6. RISK ASSESSMENT**

**6.1** If the Council's governance arrangements are weak then Council is at risk of failing to safeguard the use of public funds. In turn this would lead to poor external assessments, damaging the reputation of the Council.

### **7. EQUALITIES IMPACT**

**7.1** An equalities impact assessment is not required for this report.

### **8. CLIMATE AND ECOLOGICAL EMERGENCIES IMPLICATIONS**

**8.1** There are no climate or ecological emergency implications arising directly from this report.

### **9. BACKGROUND PAPERS**

**9.1** None.

(END)