

Report Title	Risk Management Update – Quarter 3, 2025/26 and Corporate Governance Update
Meeting	Accounts & Audit Committee
Meeting Date	24 TH March 2026
Report Authors	Howard Culshaw & Marie Mason
Directorate	Resources
Lead Executive Member(s)	Councillor Andy Bell
Wards Affected	All
Public. Part Exempt, or Fully Exempt	Public
Appendices (if any)	<p>Appendix 1 – Strategic Risk Register Update – Quarter 3, 2025/26</p> <p>Appendix 2 – Local Code Actions Progress Review</p> <p>Appendix 3 - Draft Annual Governance Statement 2024/25 - Action Plan for 2025/26: Quarter 3 Update</p>

1. Executive Summary

1.1 This report provides an update on the following:

- 1.1.1 the developments relating to the Council's risk management arrangements, including the updated Strategic Risk Register based on Quarter 3, 2025/26 updates;
- 1.1.2 the Council's Corporate Governance arrangements;
- 1.1.3 the delivery of the Action Plan 2025/26 contained within the Draft Annual Governance Statement (AGS) which forms part of the Statement of Accounts 2024/25.

2. Recommendations

For the reasons set out in this report, Accounts & Audit Committee is recommended to:

- 2.1 note the current developments and position linked to the Council's risk management arrangements and the Strategic Risk Register and comment as appropriate;
- 2.2 note the position on the Local Code of Corporate Governance and the Corporate Governance Framework;

2.3 note the progress in the delivery of the AGS Action Plan 2025/26.

3. Information: the Rationale & Evidence for the Recommendations

3.1 It is considered good practice for the Council's corporate governance and risk management arrangements to be subject to a regular review.

3.2 The Local Code of Corporate Governance (and incorporated action plan), the Strategic Risk Register and AGS Action Plan are each subject to periodic review by the Corporate Governance Steering Group (CGSG).

3.3 There are also regular meetings of the Council's Risk Management Working Group (RMWG) who review operational risks; however, this group focusses on primarily health & safety risks.

Risk Management Arrangements and Strategic Risk Register (SRR)

3.4 The SRR continues to be regularly reviewed within the Council's performance management regime and a copy of the most recent update of the SRR is attached at Appendix 1. This is based on the Quarter 3 reviews (period ending 31st December 2025) with Heads of Service / Risk Owners and Corporate Leadership Team.

3.5 It is important to note that the SRR is dynamic, and further progress continues to be made on many of the risk actions which remain, and these will continue to be captured in future updates.

3.6 Key points to note from the review of the SRR in Quarter 3 are that the score of five Strategic Risks were changed. A brief summary of the changes are provided in the table below and the details relating to each risk can be found in Appendix 1:

Strategic Risk	Previous Current Risk Score	New Current Risk Score
SRR-01 – Financial Sustainability	16	12
SRR-04 - Delivery of the Local Plan	8	4
SRR-09 – Achievement of carbon neutral targets by 2030	20	15
SRR-10 - Safeguarding of residents	12	9
SRR-14 – Joint Venture Companies	12	8

3.7 It is also important to note that since the previous review, a new Strategic Risk has been added to the SRR relating to Homelessness Services (SRR-16). Full details are also provided in Appendix 1.

3.8 An existing risk will also be removed from the SRR following this update. This is **Organisational Capacity to Deliver (Local Waste Transfer Station Closures) (SRR-02b)**. This is due to the County Council continuing to arrange for the treatment and transfer of residual and bulky household waste albeit at a different location to the one we have used in the past. The cost

implication to Pendle has reduced from the those reported in previous reports to Committee. The risk is still included in Appendix 1 for completeness and will be removed from future updates on the register.

Local Code of Corporate Governance (Local Code)

- 3.9 The updated and refined Local Code alongside the new Corporate Governance Framework was presented to this Committee at the July 2025 meeting. The Local Code contains identified actions which are required to maintain or improve our governance arrangements.
- 3.10 Appendix 2 provides an update on activity during Quarter 3, 2025/26. A quarterly update is also provided to the Corporate Governance Steering Group and this Committee.

Annual Governance Statement (AGS) Action Plan 2025/26 – Quarter 3 Update

- 3.11 The Draft AGS published as part of the Statement of Accounts for 2024/25 contained the action plan detailed in Appendix 3. A quarterly review is conducted on each action and a progress update provided and detailed alongside each action within the table.

4. Link to Council Plan Priorities: (Providing High Quality Services and Facilities, Proud and Connected Communities and Places, Good Growth and Housing and Healthy Communities)

- 4.1 The Council's Corporate Governance and Risk Management arrangements are put in place to underpin the delivery of the Council Plan and the identified priorities within it. These arrangements aim to ensure that:
- resources are directed in accordance with agreed policy and according to priorities;
 - there is sound and inclusive decision making;
 - there is clear accountability for the use of those resources in order to achieve desired outcomes for service users and communities.

5. Implications

5.1 Financial Implications

None directly arising from this report.

5.2 Legal and Governance Implications

None directly arising from this report.

5.3 Climate and Biodiversity Implications

None directly arising from this report.

5.5 Human Resources Implications

None directly arising from this report.

5.6 Equality and Diversity Implications

None directly arising from this report.

6. Consultation

6.1 None required.

7. Alternative Options Considered

N/A

8. Statutory Officer Sign off (please put an x in the relevant box below)

Section 151 Officer	x
Monitoring Officer	x

9. Background Documents

Delivering Good Governance in Local Government: Framework 2016

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