

Corporate Risk Management Update

Audit Committee

Date: 15th November 2016

Author:	Corporate Planning Lead
Wards:	All
Locality Affected:	All
Parishes Affected:	All

1. Purpose and Reasons

- 1.1 To present Audit Committee with a summary of risk management activity in the Council and with the most recently updated Corporate Risk Register.
- 1.2 Audit Committee provides independent assurance to the Council on the effectiveness of the Council's risk management, internal control and its overall assurance framework. This report summarises the areas that the Committee may wish to consider in gathering this assurance and provides a basis for discussion.
- 1.3 The risk management processes and the Corporate Risk Register are key components of the successful delivery of the Council's Vision, Priorities and Pledges, ensuring that awareness and management of risk are intrinsic to the Council's approach. Achievement of the Vision is specifically addressed in the Corporate Risk Register.

2. Recommendations

The Committee is recommended to:

- 2.1 Discuss and gain assurance on the risk management approach and processes and risks captured in the Corporate Risk Register.

3. Detail

- 3.1 Since the last report and following the input from members of the Audit Committee there have been some adjustments to the corporate risk management process and a number of changes to the Corporate Risk Register
- 3.2 Process amendments have been designed to provide additional assurance that service risks are captured in the corporate process. Heads of service produce risk registers as part of their business plans. They review their risk registers quarterly, updating the content of their registers and progress with the mitigating actions. All high likelihood risks from the heads of service reviews are escalated to the quarterly risk review at Corporate Management Team to inform the discussion about corporate risks. This process has two main benefits. Corporate Management Team is made aware of the level of risk being held at service level. Additionally, this understanding of service risk is then used to inform the assessment of corporate risk.

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- 3.3 There are regular meetings in place between Internal Audit and Risk to ensure both that audit findings are captured in the Corporate Risk Register and that audit priorities reflect corporate risk.
- 3.4 The Corporate Risk Register has been amended to give more detail about the mitigating actions. This includes making the actions more specific, assigning the action to an owner and giving a target date for the action. Action owners are required to provide an update of progress with their action on a monthly basis. Progress for actions up to the end of September 2016 is attached at Appendix Two.
- 3.5 The following risks have been added to the Corporate Risk Register by Corporate Management Team as part of the quarterly review process :
 - 3.5.1 Safeguarding Adults was added as a corporate risk in May to reflect the importance of this area of work.
 - 3.5.2 Insufficient Capacity or Capability was also added as a corporate risk in May following the identification of this risk in a number of service areas, reflecting the Council's capacity to deliver change alongside core business in a challenging financial context.
 - 3.5.3 Community Governance Review was added as corporate risk in September to reflect the far reaching nature of the proposed changes
 - 3.5.4 Sustainable Delivery of Adult Social Care Services was added as a corporate risk in September to reflect the scale of the current change
 - 3.5.5 Wichelstowe Development was added as corporate risk to reflect the strategic importance of the development.
- 3.6 Also as part of the quarterly review process, the risk relating to highways and transport was removed from the Corporate Risk Register as it was felt that progress with the mitigating actions meant that the risk could be held at service level.
- 3.7 There have been a number of changes to the likelihood rating of corporate risks in the light of the Council's context , internal and external pressures and progress with mitigating actions .These include :
 - 3.7.1 The risk to organisational sustainability being upgraded from medium to high.
 - 3.7.2 The risk to achievement of the vision being upgraded from low to medium
 - 3.7.3 The risk posed by major unplanned expenditure also being upgraded from low to medium

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3.7.4 Following improvements in systems, in May the risks relating to IT systems were downgraded from high to medium.

3.7.5 Also in May, following improvements in processes, the risk related to business continuity was downgraded from medium to low.

4. Alternative Options

4.1 Not applicable

5. Implications, Diversity Impact Assessment and Risk Management

Financial and Procurement Implications

5.1 Risk management activity is a core activity for the Council. As such, costs of risk management are funded from existing budgets.

Legal and Human Rights Implications

5.2 As part of the Accounts and Audit regulations 2006, it is a statutory requirement that the Council maintains a robust, adequate and effective system of risk management in the delivery of its core services.

All Other Implications (including Staff, Sustainability, Health, Rural, Crime and Disorder)

5.3 Nothing specific for this report.

Diversity Impact Assessment

5.4 A Diversity Impact Assessment has not been completed for this report as it is a summary of actions within service areas to mitigate and address risk. Where applicable, Diversity Impact Assessments have been undertaken which cover the actions within the Corporate Risk Register. These assessments are held in the responsible service areas.

Risk Management

5.5 A risk assessment has not been completed for this report as it is a summary of risk management activity overall. The Corporate Risk Register is the corporate assessment of the key risks facing the Council at this time

6. Consultees

6.1 The Board Director, Resources (Section 151 Officer) and Director of Law and Democratic Services (Monitoring Officer) are consulted in respect of all reports.

6.2 The Chief Executive and the Head of Internal Audit were also consulted in respect of this report.

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7. Background Papers

7.1 None

8. Appendices

8.1 Appendix One – Corporate Risk Register October 2016

8.2 Appendix Two – Progress with Actions September 2016