

**REPORT OF THE EXECUTIVE MANAGEMENT TEAM  
TO THE AUDIT AND STANDARDS COMMITTEE**

**23 September 2019**

**CORPORATE RISK MANAGEMENT REPORT FOR THE PERIOD April to June  
2019 (Quarter 1 (Q1))**

**Submitted by:** Executive Management Team

**Portfolio:** Corporate and Service Improvement, People and Partnerships

**Ward(s) affected:** All

**Purpose of the Report**

To inform Members of the progress made by the Council in enhancing and embedding risk management for the period April to June 2019 (Q1), including progress made in managing identified corporate risks.

**Recommendations**

**The Committee is asked to:-**

- (a) Note that there are no overdue risk reviews (point 2.1.1).**
- (b) Note point 2.2.1 advising of the risk level increases.**
- (c) Note point 2.2.2 regarding the new risks identified between January and March 2019.**
- (d) Note that there are no issues outstanding from the previous meeting (point 2.2.4).**
- (e) Note that the updated Risk Management Strategy and Policy have been uploaded to the website and intranet (point 2.2.5).**
- (f) Note that an upgraded web based version of the corporate risk management system (GRACE) has been implemented (point 2.2.6).**
- (g) Note Appendix A and scrutinise the progress that has been made in managing the risks identified within the Strategic, Operational, Project and Partnership Risk Registers, where applicable.**
- (h) Identify, as appropriate, individual risk profiles to be scrutinised in more detail at the next meeting of the Committee.**

**Reasons**

The risk management process previously adopted by the Council has been reviewed to incorporate changes in the way the Council works and to provide continuity and streamlined reporting of risks to allow the process to become further embedded at each level of the authority. This will also aid the identification of key risks that

potentially threaten the delivery of the Council's corporate priorities. The Risk Management Strategy provides a formal and proportionate framework to manage these identified risks and thus reduce the Council's exposure.

**1. Background**

- 1.1 The Council monitors and manages all its risks through the various risk profiles contained within GRACE (Governance Risk and Control Environment) – the Council's software used to record and manage risks.
- 1.2 The Council currently reviews its high (red 9) risks at least monthly and its medium (amber) risks at least quarterly.
- 1.3 The last review of these risks (Q4 2019) was reported to the Council's Audit & Standards Committee in April 2019.
- 1.4 Risk owners are challenged by the Council's Risk Champions in respect of the controls, further actions, ratings and emerging risks related to their risks, and are also challenged on the reasons for inclusion or non-inclusion and amendment of these.
- 1.5 Projects are managed to a high level in relation to risk and are reviewed in accordance with the Risk Management Strategy (i.e. at least monthly).

**2. Issues**

- 2.1 Further to an Audit Assurance recommendation, your officer has been asked to report on overdue risk reviews that are 6 months out of date.
  - 2.1.1 At the time of running the report, there were no overdue reviews.
- 2.2 Following a previous meeting a brief point is now produced to show any risks where the risk level has increased to a Medium 7, 8 or High 9.
  - 2.2.1 Your officer can report that there were 7 risk level increases. The majority of these increases range between Low 1 to Medium 6 ratings. There are however 2 risk level increases to a rating between Medium 7 to High 9 from existing risks and these are included in Appendix A, numbered 1 – 2.
  - 2.2.2 There have been 22 new risks added to profiles during April to June 2019. The majority fall between Low 1 to Medium 6 ratings. One risk only has a rating of Medium Amber 7, one at Medium Amber 8 and one at High Red 9. These are numbered 3 – 5 in Appendix A. The others are rated below the reporting lines.
  - 2.2.3 Should there be any changes or increases during July to September 2019 these will be reported to the next relevant meeting of the Committee.
  - 2.2.4 There are no outstanding issues from the last meeting.
  - 2.2.5 Since the last meeting where the Risk Management Strategy and Policy were agreed, the updated documents have been uploaded on to the Internet and Intranet.

2.2.6 From April 2019 work has been ongoing and delivered between the Business Improvement Officer (Risk and Insurance), ICT and GRACE, where the operating system has been transferred over to a hosted site which has freed up a server. The system also enables any upgrades and issues to be dealt with by the provider. It has incorporated security measures for users using the Windows security log-in. The system has also been upgraded with additional functions to work in the background for easier report writing; bespoke reports and options to develop the system further using a secure test site.

**3. Options Considered**

3.1 No options to be considered. EMT, Heads of Service, Business Managers and Officers continue to review risks with the support of Risk Champions (where required).

3.2 The Business Improvement Officer (Risk and Insurance) continues to offer support and direction as part of this process.

**4. Proposal - Strategic, Operational, Project and Partnership Risk Registers (Appendices)**

4.1 The Council regularly reviews and refreshes its risk registers in accordance with the Risk Management Strategy.

4.2 These reviews are co-ordinated by the Strategic Risk Champion who works closely with Directors, Operational Risk Champions and Risk Owners.

4.3 The risk map below shows the descriptions of the ratings, for ease of use.

<b>L I K E L I H O O D</b>	High	7 Amber	8 Amber	9 High Red
	Medium	4 Green	5 Amber	6 Amber
	Low	1 Green	2 Green	3 Amber
		Low	Medium	High
<b>IMPACT</b>				

4.4 Appendix A now highlights the risks that fall into the top line of the above risk map.

**5. Reasons for Preferred Solution**

5.1 To offer a continual review process to minimise and mitigate risks.

**6. Outcomes Linked to Corporate and Sustainable Community Priorities**

6.1 Good risk management is a key part of the overall delivery of the Council's four corporate priorities of:

- Local Services that Work for Local People.
- Growing our People and Places.
- A Healthy, Active and Safe Borough.
- A Town Centre for all.

**7. Legal and Statutory Implications**

7.1 The Accounts and Audit (England) Regulations 2015, state that:

*“The relevant body **is** responsible for ensuring that the financial management of the body is adequate and effective and that the body has a sound system of internal control, which facilitates the effective exercise of that body's functions and which includes arrangements for the management of risk”*

**8. Equality Impact Assessment**

8.1 There are no differential equality impact issues in relation to this report.

**9. Financial and Resource Implications**

9.1 None where actions are to be taken in order to mitigate the risks as these will be met from within existing budgets. Where this is not possible, further reports will be submitted to Members.

**10. Major Risks**

10.1 As highlighted in Section 4.

**11. Sustainability and Climate Change Implications**

11.1 Officers assess sustainability and climate change implications as part of their local services.

**12. Key Decision Information**

12.1 This report is for information and there are no key decision requirements pertaining to the information contained within the report.

**13. Earlier Cabinet/Committee Resolutions**

13.1 Previous Minutes from Committee meeting held on 15 April 2019.

**14. List of Appendices**

14.1 Appendix A – Notable High and Medium risks

**15. Background Papers**

15.1 Previous Minutes and reports have been circulated to relevant Members and Officers.