

Audit and Governance Committee 14th March 2022

Report Title	Strategic Risk Register update	
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List of Appendices

Appendix A: Strategic Risk Register

Appendix B: Risk scoring methodology

1. Purpose of Report

- 1.1 To provide the committee with a quarterly update on the Council's Strategic Risk Register entries.

2. Executive Summary

- 2.1 The Council's Risk Management Strategy defines the Council's risk management approach and the practices required to make it work. The strategy includes quarterly updates on the Strategic Risk Register for the Audit and Governance Committee.
- 2.2 An updated register is provided for the Committee's consideration.

3. Recommendations

- 3.1 It is recommended that the Committee:

a) Note the risk management update.

- 3.2 Reason for Recommendations –

- For the Committee to exercise its duties and responsibilities within its Terms of Reference and provide independent assurance of the adequacy of the risk management framework and the associated control environment.

4. Report Background

- 4.1 The Risk Management Strategy and the Council's first Strategic Risk Register were presented to the Audit & Governance Committee in July 2021. The last update on the Register was provided in November 2021.
- 4.2 Directorate level Risk Registers are now held and maintained by service leads and any risks identified as requiring escalation to the Strategic Risk Register are incorporated as part of the ongoing review process.
- 4.3 The Strategic Risk Register has been updated and a copy is provided for the Committee's information, as Appendix A to this report. The amendments made to the risk entries since the last report to Audit and Governance Committee are summarised in Table 1.
- 4.4 It should be noted that whilst Internal Audit assist with the facilitation of risk management, CLT are responsible for defining all risk entries and scoring, and applying the Risk Management Strategy.

Table 1: Updates to Strategic Risk Register

Risk entry	Update
1. Assurance the Children's Trust is delivering to the agreed standards (Intelligent Client)	<p>This risk entry has been updated to reflect the improved performance that is recognised by the Department for Education and the change of formal relationship with improvement partner de-escalated to peer support. It is noted that continued scrutiny of the social care improvement board and Ofsted will provide routine assurance.</p> <p>The scoring has been reviewed, based on feedback at the last Audit & Governance Committee and reassessment by senior management. This has resulted in an increase in impact scoring from 4 to 5.</p> <p>Risk score increased from 3 for likelihood and 4 for impact (12 in total) to 3 for likelihood and 5 for impact (15 in total).</p>
4. That key services have robust and effective resilience arrangements in place (including Emergency Planning and Business Continuity)	<p>Updated to reflect the resources currently available to support the mitigating controls in this area.</p> <p>Risk score reduced from 5 for likelihood and 4 for impact (20 in total) to 4 for likelihood and 4 for impact (16 in total).</p>
18. Transformation Plan not delivered as endorsed by Executive, affecting	<p>New risk entry</p> <p>Recognises the risks posed by external pressures and competing demands in ensuring the full delivery of the Plan, and associated savings.</p>

Risk entry	Update
the ability to deliver savings.	Risk score set as 3 for likelihood and 4 for impact (12 in total).

- 4.5 A copy of the risk scoring methodology is provided as Appendix B to this report, for the Committee's information in reviewing the register. This is an extract from the Council's Risk Management Strategy.
- 4.6 It is recognised that the risk scoring remains relatively high in some areas even after further controls have been considered. It is anticipated that these will reduce as the Council works through a number of legacy issues and the detail of service arrangements moving forward, including any required structural changes. Similarly, once there is greater certainty on the finances following the Autumn Budget Statement and Spending Review it is expected that this risk will be amended, accepting that some longer-term risk remains with the uncertainty of the fair funding review and reform of business rates.
- 4.7 Following the first year of applying the current risk management strategy and approach, it is intended to reflect upon how well this supports effective risk management and reporting. In quarter one of 2022/23, the risk management approach will be reviewed and reporting to the next Audit and Governance Committee may incorporate a greater level of detail and/or a different format. This will be seeking to support Members in exercising their role in ensuring the effective of risk management at the Council and any feedback from the Committee in relation to this would inform this review.

5. Issues and Choices

- 5.1 The report provides an update on the Strategic Risk Register. The Committee has the opportunity to review the entries and scoring within the register and obtain assurance that this suitably reflects the risk environment and the risk management process is effective.

6. Implications (including financial implications)

6.1 Resources and Financial

- 6.1.1 None specific to this report.

6.2 Legal

- 6.2.1 None specific to this report.

6.3 Risk

- 6.3.1 The maintenance of an effective risk management framework is crucial to managing risk effectively. The Strategic Risk Register is a key part of that

framework. The report itself does not give rise to any specific risks for consideration.

6.4 Consultation

6.4.1 None specific to this report.

6.5 Consideration by Scrutiny

6.5.1 Not required on this occasion.

6.6 Climate Impact

6.6.1 None specific to this report.

6.7 Community Impact

6.7.1 None specific to this report.

7. Background Papers

7.1 None.