

STRATEGIC RISK REGISTER

Audit Committee - 3 November 2020

Report of: Deputy Chief Executive and Chief Officer - Finance and Trading

Status: For Consideration

Also considered by: None

Key Decision: No

Executive Summary: This report presents the most recent version of the Strategic Risk Register for consideration by Audit Committee.

Portfolio Holder: Cllr. Matthew Dickins

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Recommendation to Audit Committee:

To consider and note the contents of the Strategic Risk Register

Reason for recommendation: The Audit Committee, through its Terms of Reference, has responsibility for maintaining an overview of risk management development and operations. Regular oversight of the Strategic Risk Register is an important part of discharging this responsibility.

Introduction and Background

- 1 Audit Committee is required, through its Terms of Reference, to maintain oversight of risk management arrangements and operations. As such, it receives periodic updates on risk management, including the Strategic Risk Register.
- 2 The Strategic Risk Register was most recently updated in September 2020, having previously been presented to Audit Committee in September 2019. Since September 2019, there have been several changes to the internal and external environments and therefore, there have been some commensurate changes to the risk register.
- 3 Overall, since the last update, the Council's risk profile has increased. This is largely due to an increased likelihood of events that are, to a certain extent, beyond the Council's ability to control. Members will note from the table on Page 3 of Appendix A that the net score for five of the risks has increased since the last update; this is reflective of the uncertainty and volatility of the current environment.

- 4 There is currently one risk (SR01 - Finance) that is rated as 'High' even after controls have been applied. This is not to imply that existing controls are ineffective; rather, that there are many uncertainties that will impact on our ability to deliver a balanced budget. These uncertainties are currently being worked through as part of the budget setting process; once this process is complete we would expect this risk to reduce to 'Medium'.
- 5 Members will also note that two risks have been added to the Strategic Risk Register (SR12 - Temporary Accommodation and SR13 - Covid-19) and that two have been removed (Customer Re-design and Local Plan).
- 6 It is important that the Strategic Risk Register is a dynamic document, able to respond to risks as they emerge or to reduce or remove risks that are no longer significant. To this end, the Risk Register will be formally reviewed by Strategic Management Team on a quarterly basis.

Risk Management Framework

- 7 The overall risk management framework does require updating to ensure that it fully reflects the needs of the Council. This includes the overall format of the Strategic Risk Register but also mechanisms for capturing operational and projects risks, ensuring that these are escalated where appropriate and that any interdependencies are identified and addressed.
- 8 The framework review was due in the 2019/20 financial year but was delayed, principally due the lack of a permanent Audit Manager. It is important, however, that this work is undertaken and the new framework will be brought to a future meeting of this Committee for approval.

Other options Considered and/or rejected

None

Key Implications

Financial

There are no direct financial implications associated with this report, however financial risk is considered as part of the Strategic Risk Register.

Legal Implications and Risk Assessment Statement.

The Strategic Risk Register is the core mechanism used by the Council to identify, assess and monitor key risks. There are no direct legal implications associated with this report, however compliance risk is considered as part of the Strategic Risk Register.

Equality Assessment

The decisions recommended through this paper have a remote or low relevance to the substance of the Equality Act. There is no perceived impact on end users.

Conclusions

Since the last update to Audit Committee in September 2019, there have been several changes to the Strategic Risk Register. As part of its governance and oversight role regarding the Council's risk management, Audit Committee is asked to review and consider the updated Strategic Risk Register.

Appendices

Appendix A - Strategic Risk Register

Background Papers

None

Adrian Rowbotham

Deputy Chief Executive and Chief Officer - Finance and Trading