

# Audit & Governance Committee

10 September 2019

Is the final decision on the recommendations in this report to be made at this meeting?

Yes

## Strategic Risk Review

<b>Final Decision-Maker</b>	Audit & Governance Committee
<b>Portfolio Holder(s)</b>	All
<b>Lead Director</b>	Lee Colyer – Director of Finance, Policy and Development
<b>Head of Service</b>	Rich Clarke – Head of Audit Partnership
<b>Lead Officer/Report Author</b>	Lee Colyer – Director of Finance, Policy and Development
<b>Classification</b>	Non-Exempt
<b>Wards affected</b>	All

### This report makes the following recommendations to the final decision-maker:

1. That the Committee **notes** the risk management report and arrangements for managing strategic risk.

### This report relates to the following Five Year Plan Key Objectives:

- A Prosperous Borough
- A Green Borough
- A Confident Borough

This report is concerned with the internal control and governance of the Council. Successful controls and effective governance are a crucial underpinning for all corporate priorities.

### Timetable

<b><i>Meeting</i></b>	<b><i>Date</i></b>
Management Board	30 August 2019
Audit and Governance Committee	10 September 2019

# Strategic Risk Review

## 1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1 The report sets out the strategic risks identified by the Council and currently being managed and tracked by senior management. The report provides a current update on the evaluated threat level and controls in place for each risk issue.
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## 2. INTRODUCTION AND BACKGROUND

- 2.1 The risks included in the report were developed in a risk management workshop and health check facilitated by Zurich Insurance Limited on 25 March 2019, with the risks being formally adopted by Cabinet on 1 August 2019. Since that time, risk owners have kept the risks and controls under review with periodic reporting both to the Cabinet and the Audit & Governance Committee.
- 2.2 The Council's Management Board periodically reviews the risks identified along with the risk owners.
- 2.3 Risk owners (managers) for certain risks are invited to attend the Audit and Governance Committee meetings to outline the Council's approach to managing their particular risk(s). For this Committee meeting, members will be able to examine the risk(s) owned by Paul Taylor, Director of Change and Communities, namely;
- Risk 9: The Amelia at the Amelia Scott
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## 3. AVAILABLE OPTIONS

- 3.1 There is no legal requirement on the authority formally to monitor its risks, still less is there a defined framework to do so. Although failing to monitor and record risks will leave the Council vulnerable to external criticism – for example by its external auditors who are required to assess the effectiveness of risk management when considering their annual Value For Money conclusion – the Council could decide that is a price worth paying against using some of its resources to identify and monitor risk.
- 3.2 Even accepting the utility in gathering systematic monitoring information on the risks it faces, there is a wide range of different approaches the Council might adopt. Even if one looks solely at the local government sector, there are myriad formats, structures and arrangements adopted to record and present information to senior officers and members.
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#### 4. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS

- 4.1 The report sets out the risks using the methodology and format previously agreed by the Council, which is essentially the method advocated by Zurich from the 2019 risk workshop.

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#### 5. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK

- 5.1 The Strategic Risk Register has undergone periodic review and examination by the Council's Management Board, the Cabinet and the Audit & Governance Committee. This stands in addition to ongoing monitoring by the identified risk owners. This report incorporates feedback and updates from all sources.

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#### 6. CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off (name of officer and date)
<b>Legal</b> including Human Rights Act	The Accounts and Audit Regulations 2015 require the Council to have a sound system of control which includes arrangements for the management of risk. This Report is part of those arrangements and is designed to ensure that the appropriate controls are effective.  There are no immediate legal implications arising from this report.	Lee Colyer, Director of Finance, Policy and Development 3 September 2019
<b>Finance</b> and other resources	None identified at this stage.	
<b>Staffing establishment</b>	None identified at this stage.	
<b>Risk management</b>	Risk management is the subject of the report but it does not of itself raise new risk issues for consideration.	
<b>Data Protection</b>	No new issues identified at this stage.	
<b>Environment</b> and sustainability	None identified at this stage.	
<b>Community safety</b>	None identified at this stage.	
<b>Health and Safety</b>	None identified at this stage.	
<b>Health and wellbeing</b>	None identified at this stage.	
<b>Equalities</b>	None identified at this stage.	

## **7. REPORT APPENDICES**

The following document is to be published with this report and forms part of the report:

- Appendix A: Strategic Risk Register Update August 2019

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## **8. BACKGROUND PAPERS**

None