

Report for:
INFORMATION

Item number:

Contains confidential or exempt information	Yes – Appendix A pursuant to paragraphs 3 & 5 of Schedule 12A of the Local Government Act 1972.
Subject of report	Risk Management Performance Report – Quarter 1 2020/21
Responsible officer	Ross Brown, Chief Finance Officer
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Portfolio	Cllr Bassam Mahfouz - Finance & Leisure
For consideration by	Audit Committee
Date to be considered	28 July 2020
Implementation Date if Not Called In	N/A
Affected Wards	All
Keywords/Index	Strategic Risk Management

Reason for report

This report provides Audit Committee with an update in respect of the review by Senior Leadership Team of strategic risks facing the council as at the end of Q1, 2020/21.

1. Recommendations

- 1.1 It is recommended that Audit Committee consider and provide comments to officers for their consideration on:
- the refreshed Strategic Risk Register (Appendix A) noting 5 new risks including 4 new specific Covid 19 Strategic Risks

2. Reason for recommendation and options considered

- 2.1 This is a periodic report to update Audit Committee on the strategic risks facing the council; no decision is required.

3. Key implications

- 3.1 The Accounts and Audit Regulations 2015 and Public Sector Internal Audit Standards 2017 require the council to maintain a robust, adequate and effective system of risk management in its delivery of core services. Operation of an effective and embedded risk management framework is an important element of such a system so that the council effectively discharges its corporate governance responsibilities.
- 3.2 The Senior Leadership Team (SLT) is responsible for reviewing the Strategic Risk Register, ensuring that the management of risk continues to be within the council's risk appetite. Audit Committee is responsible for considering the effectiveness of the council's strategic risk management arrangements.

4. Strategic Risk Register (SRR)

- 4.1 The Strategic Risk Register underwent a detailed root and branch review by SLT prior to the Covid 19 period, whereby a refreshed risk register has been produced. The results of which are reported below and in appendix A. The aims of the review were:
- A shorter, more concise risk register
 - Help with maintenance and priorities
 - Greater joint awareness of issues
 - Help with delivery of objectives
 - Better monitoring of actions
- 4.2 SLT were asked to consider:
- Are the key risks what you expected?
 - Do they continue to reflect your collective strategic priorities?
 - Are scores correct
 - Do they reflect the gross risk?
 - Are impacts correct for the likelihood applied?
 - Any risks missing?
 - Any risks rising from the department risk register?
- 4.3 The benefits of the review:
- Identifying risks as potential barriers to the success of the Council on core objectives.
 - Help to mitigate risks.
 - Help to understand and prioritise risks.
- 4.4 The council's strategic risks documented as shown in appendix A are determined by SLT, and comprise of key risks which either:
- significantly affect the council's ability to achieve the Borough's long-term strategic objectives and priorities which are set out in the Corporate Plan;
 - are relevant and important to all or most of the council's services and functions;
 - are external to the council but which have potential significant impacts on the Borough, or parts of the Borough, as a whole; or
 - have potentially severe reputational consequences should they materialise.

- 4.2 The refreshed strategic risk register now shows the direction of travel in relation to the risks, as requested by Audit Committee.
- 4.3 5 new risks have also been added to the Q1 risk register, appendix A.
- 4.4 Since the refresh 4 risks have been added and agreed by SLT in relation to Covid 19.
- 4.5 The Q1 SRR contains 19 risks including 4 Covid related risks.

5. Financial

- 5.1 A number of risks on the SRR have the potential for significant financial impact and this is articulated within each individual risk description and managed through the control measures which are in place and monitored by the control owners. All financial risks of a material or significant nature such as those set out in this report and appendices are either monitored through the regular Finance monitors to Corporate Board and Cabinet or considered as part of the Budget Strategy.

6. Legal

- 6.1 The Accounts and Audit Regulations 2015 and the Public Sector Internal Audit Standards 2017 require the council to maintain a robust, adequate and effective system of risk management in the delivery of its core services.

An embedded risk management culture and effective risk management processes support good governance, the council's delivery on its duty of care and successful delivery of the council's objectives

7. Value for money

- 7.1 Good risk management is a key contributor to successful delivery of the council's objectives protecting its assets and resources to deliver value for money

8. Risk management

- 8.1 Good risk management enables the council to optimise its opportunities and minimise the potential for adverse service, financial, legal or reputational outcomes in delivery of its strategic priorities and objectives

9. Community safety

- 9.1 Effective management of risk seeks to protect the council's assets and resources and the local community from harm

10. Links to the 3 Priorities for the Borough

- 10.1 The effective identification, assessment and management of risk is an important foundation to the successful achievement of strategic objectives in terms of managing resources effectively. Strategic risks affect all three priorities of the Long Term Plan meaning that embedded risk management is important to the council.

11. Equalities and community cohesion

11.1 No equality impact assessment has been undertaken as the report is for information and does not affect the general duties of the Equality Act 2010.

12. Staffing/workforce and accommodation implications:

12.1 None

13. Property and assets

13.1 None

14. Any other implications:

14.1 None

15. Consultation

15.1 Not applicable

16. Timetable for implementation

16.1 Not applicable

17. Appendices

- Appendix A: Q1 Strategic Risk Register (Confidential)
- Appendix B: Q1 Risk Matrix Score Definitions

18. Background Information

18.1 None

Consultation

Name of consultee	Post held	Date sent to consultee	Date response received from consultee	Comments appear in paragraph:
Internal				
Ross Brown	Chief Finance Officer (s151 Officer)	15/7/2020	15/7/2020	Throughout
Cllr Bassam Mahfouz	Portfolio holder – Finance & Leisure		For reference only	

Report History

Decision type:	Urgency item?
For Information	No
Report no.:	Report author and contact for queries: Ewan Taylor – Audit and Risk manager ext. 9991

