



TO: Audit & Governance Committee

FROM: Head of Audit & Assurance

DATE: 16 October 2018

PORTFOLIOS AFFECTED: All

WARDS AFFECTED: All

TITLE OF REPORT: Risk Management – 2018/19 Quarter 1 Review

1. PURPOSE

To provide the Committee with details of the risk management activity that has taken place in the period from 1 April 2018 to 30 June 2018.

2. RECOMMENDATIONS

The Committee is asked to:

- Discuss, review and challenge the progress made on the Corporate Risk Register as at the end of Quarter 1 2018/19;
- Note the risk management activity that has occurred during the period; and
- Consider the selection of a Corporate Risk for the Committee to undertake a review of its assessment, control and monitoring at its next meeting.

3. BACKGROUND

The Council recognises that risk management is not simply a compliance issue, but rather it is a process to help ensure the successful delivery of the corporate objectives. Effective risk management arrangements should be embedded in the Council's culture and decision making processes as well as being an inherent part of the operational and financial management arrangements operating within the Council. Risk management helps to demonstrate openness, integrity and accountability in all of the Council's activities.

4. RATIONALE

The Audit & Governance Committee terms of reference require it to review progress on risk management at least annually and to promote risk management throughout the Council. The Corporate Risk Management Strategy & Framework requires that the Audit & Governance Committee will receive regular reports setting out progress against corporate risk management action plans. This report satisfies both these requirements.

5. KEY ISSUES AND RISKS

The Corporate Risk Register currently contains a total of 14 open risks, a reduction of one from the number noted in the 2017/18 Annual Risk Management Report presented to this Committee on 24 July 2018. Corporate

risk 5, the risk that that governance and decision making arrangements fail, has been closed. The controls relating to this area have been assessed as good and, as the new Constitution and the related governance arrangements have been confirmed as in place, the risk has been accepted and closed.

A summary of the corporate risk details is attached at Appendix 1 of this report. The report identifies any changes in the residual risk score from the previous quarter to enable movements to be tracked. The only change to note is the increase in the residual risk score relating to Risk 11, failure to improve the education and skills for our young people. This is as a result of the likelihood of this risk materialising increasing. The Head of Service responsible for this area retired at the end of August and the arrangements for her replacement need to be determined. In addition the Service Lead post is to be deleted. This leaves a significant gap and associated risks, which will need to be considered.

Corporate Risk 14, that of a high profile serious/critical safeguarding incident/case occurring that is known to Council services, remains the top corporate risk, as noted at the last year-end in the 2017/18 Annual Report.

As part of the Council's Risk Management process we review and monitor the Corporate Risks on a regular basis to ensure that we have appropriate, properly assessed corporate risks identified going forward. Management Board review the details as part of the Management Accountability Framework reporting arrangements, as well as the on-going review and update of the risks by the designated risk owners and key contacts

The Road Risk Management Group continues to meet regularly to consider the risk management arrangements in place for the Council's motor fleet and drivers and staff use of private vehicles for Council business. The Group also reviews management reports to monitor trends in fleet driving behaviour and insurance claims to identify training needs. We will also continue to make use the risk management support that is available from Zurich Municipal as part of the current long term insurance agreement during the year to provide additional support to managers and senior officers regarding specific risk management arrangements and training.

6. POLICY IMPLICATIONS

There are no policy implications arising from this report.

7. FINANCIAL IMPLICATIONS

There are no financial implications arising from this report.

8. LEGAL IMPLICATIONS

There are no legal implications arising from this report.

9. RESOURCE IMPLICATIONS

There are no direct resource implications arising from this report.

10. EQUALITY AND HEALTH IMPLICATION

There are no equality or health implications arising from this report.

11. **CONSULTATIONS**

The Corporate Risk Register has been reviewed and updated by the Corporate Risk & Resilience Forum and agreed by Management Board.

Contact Officer: Colin Ferguson Head of Audit & Assurance – Ext: 5326

Date: 3 October 2018

Background Papers: Corporate Risk Management Strategy 2015/2020
2017/18 Annual Risk Management Report (including
Quarter 4 Review)