



TO: Audit & Governance Committee

FROM: Head of Audit & Assurance

DATE: 15 January 2019

PORTFOLIOS AFFECTED: All

WARDS AFFECTED: All

TITLE OF REPORT: Risk Management – 2018/19 Quarter 2 Review

1. PURPOSE

To provide the Committee with details of the risk management activity that has taken place in the period from 1 July 2018 to 30 September 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 2 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 Council's Corporate Plan priorities and 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 of risks at the end of Quarter 1 2018/19 Corporate risk 5, the risk that that governance and decision making

arrangements fail, has been reviewed and re-assessed. The controls in place 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 identified has been accepted and the risk closed. This risk will continue to be managed as part of business as usual activity.

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 in the period is the increase in the residual risk score relating to Risk 15, failure, at a corporate level, to comply with Health & Safety legislation and provide both a safe working environment for employees and the provision of a safe environment for service users. The residual risk for this area has increased from Low to Medium. This is as a result of the likelihood of this risk being reassessed following an increase in the number of health and safety accidents and related matters reported recently. This has highlighted a lack of staff awareness regarding this area. Steps are being taken to address this through training and awareness raising.

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 in the Quarter 1 2018/19 Risk Management Update reported to the October meeting of this Committee.

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 a range of management reports to identify and monitor themes and trends in fleet driving behaviour and insurance claims to consider any 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 by Risk Owners and Key Contacts and agreed by Management Board.

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

Date: 24 December 2018

Background Papers: Corporate Risk Management Strategy 2015/2020,
2017/18 Annual Risk Management Report (including
Quarter 4 Review) and Risk Management 2018/19
Quarter 1 Review