

Name of meeting: CORPORATE GOVERNANCE & AUDIT COMMITTEE

Date: 15th NOVEMBER 2019

Title of report: RISK MANAGEMENT UPDATE

Purpose of report;

To provide information on the Councils Risk Management Statement and its arrangements for Corporate Risk Management.

Key Decision - Is it likely to result in spending or saving £250k or more, or to have a significant effect on two or more electoral wards?	not applicable
Key Decision - Is it in the Council's Forward Plan (key decisions and private reports?)	not applicable
The Decision - Is it eligible for call in by Scrutiny?	not applicable
Date signed off by Strategic Director & name Is it also signed off by the Service Director for Finance IT and Transactional Services? Is it also signed off by the Service Director for Legal Governance and Commissioning Support?	J Muscroft 31/10/19
Cabinet member portfolio	not applicable

Electoral wards affected: All

Ward councillors consulted: None

Public or private: Public with a private appendix

The appendix to this report is recommended for consideration in private because the information contained in it is exempt information within part 1 of Schedule 12A of the Local Government Act 1972 namely that the report contains information relating to the financial or business affairs of any particular person (including the authority holding that information). The public interest in maintaining the exemption outweighs the public interest in disclosing the information and providing greater openness in the Council's decision making.

Have you considered GDPR? Yes

1. Summary

- 1.1 In 2018 the Council produced a revised Risk Management Statement.
- 1.2 Internal Audit work earlier this year concluded that there was still scope to improve arrangements to provide an adequate level of assurance.

- 1.3 This report sums up the current position, and indicates the actions that are currently being taken and still need to be taken to improve the organisations approach to risk management.
- 1.4 This Committee has a role in monitoring the effectiveness of the councils arrangements for risk management.
- 1.5 The report provides the current Corporate Risk Matrix.

2. **Information required to take a decision**

- 2.1 The Risk Management Statement envisages the production of a Corporate Risk Matrix which sets out the risks which the council as a corporate entity and local authority faces .The majority of these risks are long standing and affect similar organisations, although there are a few that are more specifically nuanced to the activities which Kirklees Council undertakes. The current version of this Risk Matrix is attached as Appendix 1.
- 2.2 The Risk Management Statement also envisages a directorate or service based risk system, that enables Directors to demonstrate that they are identifying and managing risks faced by their own specific activities, as a route for escalating higher level or emerging risks to senior management and those charged with governance, and as a method of monitoring directorate based risk activity.
- 2.3 In support of this the Risk Management Statement requires an internal risk governance structure by way of a Risk Panel, with reporting of high level and emerging risks to Executive Team (ET) and Leadership Management Team (LMT), and as appropriate Cabinet and Council.
- 2.4 Whilst regular reporting to ET and LMT has been successfully implemented linked in with a wider assessments of corporate performance, the method of collecting this information has not followed the method envisaged in the Risk Management Statement The Internal Audit work identified that the activities of the Risk Panel were under developed, and service and directorate based risk information incomplete, and inadequately supported.
- 2.5 In addressing these matters a more formal structure for risk panel meetings, and new spreadsheet based recording system has been developed. This work is almost complete. The next stage will be to attempt to ensure consistent standards are achieved across all directorate areas.
- 2.6 To ensure wider ownership training on risk management has been provided to the majority of senior managers, and some members (and all have been provided with the same training material) , and it is planned to undertake further risk management engagement with middle managers in the near future.

Some additional risk management information is contained within the private Appendix.

3. **Implications for the Council**

- 3.1 **Working with People** – None directly
- 3.2 **Working with Partners** – None directly
- 3.3 **Place Based Working** – None directly
- 3.4 **Improving outcomes for children**– None directly
- 3.5 **Other (eg Legal/Financial or Human Resources)**- Although each of the sub categorisations above suggest no direct implications, risk management activity covers all aspects of the councils operations, including elements of the above, either specifically or indirectly.

4. Consultees and their opinions

4.1 Strategic directors, service directors and head of service are all involved in the risk management process.

5. Next steps and timelines

5.1 To consider if any additional activity is sought.

6. Officer recommendations and reasons

6.1 Members are asked to note the update on risk management.

6.2 Members are asked to comment on their views on the adequacy and completeness of the current Corporate Risk Matrix.

7. Cabinet portfolio holder's recommendations

Not applicable

8. Contact officer

Martin Dearnley, Head of Risk & Internal Audit (01484 221133 x73672)

9. Background Papers and History of Decisions

The Risk Management Statement (March 2018)

10. Service Director responsible

Julie Muscroft Service Director Legal Governance & Commissioning

Appendix 1

CORPORATE RISK REGISTER & RISK MANAGEMENT ACTION PLAN AUGUST 2019 (2B)