

Name of meeting: CORPORATE SCRUTINY
Date: 16th JANUARY 2023
Title of report: RISK MANAGEMENT UPDATE

Purpose of report

1. To provide information on the Councils Risk Management arrangements
2. To update on the Councils risk profile, including changes since last quarter

Corporate Process

Corporate Risk Management follows a quarterly cycle of review and update, providing opportunities for Service / Directorate level risks to be escalated and shared through Risk Panel, and a cumulative assessment of council wide risk to be made. This report was considered by the Risk Panel on 18th October 2022 and presented to Executive Team on the 8th November 2022. It should therefore be noted that progress has been made against the risks / mitigants detailed in this report since the time of writing.

It is expected that Strategic Directorates have in place their own risk governance processes to ensure there is appropriate oversight and challenge of risks and mitigants across their area of responsibility. Work continues to improve directorate engagement, seeking to build on existing processes where risk management is embedded and working effectively, but providing more structured support and guidance where appropriate oversight is not yet in place.

Within the last quarter we have reviewed and relaunched the risk assessment matrix (5x5 grid) as a tool to drive greater consistency in the assessment and prioritisation of risks across the council. Work is also underway to ensure risk identifiers such as internal audit findings, complaints data, insurance claims and output from customer insight and research activity is considered, as well as external indicators, to obtain a comprehensive and balanced risk outlook.

Current focus is on the timely reporting and escalation of new and emerging risks, acknowledging that full understanding of the risk causes and consequences may not yet be available, and also that it is unlikely that mitigants will have been identified and / or implemented.

Appendix 1: Corporate Risk Register Heat Map

This is a new summary document that provides a visual and high level summary of the more detailed Corporate Risk Register. Page 1 displays the 10 Key Corporate Risks (KCRs) on the relevant position on the risk assessment matrix and supports discussion on the relative position of KCRs. Going forward any movements from the

prior quarter will also be visible on this document. Page 2 includes the high level rationale for the scoring and changes to prior quarter (where relevant).

Appendix 2: Corporate Risk Matrix

This Corporate Risk Matrix outlines the 10 high level Key Corporate Risks (KCRs). Each KCR has a Risk Owner at ET level. Specific risks, and Emerging Risks are recorded under the relevant KCR, with owners, scores and trend direction detailed. Emerging Risks (title only) are also included on the Corporate Risk Matrix to provide a comprehensive risk profile.

It should be noted that all risks reported on the Corporate Risk Matrix are assessed as red / high risks on an inherent or gross basis, which those charged with senior executive leadership and governance need to have awareness of, even where these are well controlled – resulting in a lower residual / net score. It is the residual score that is recorded within the Corporate Risk Matrix.

Appendix 3: Emerging Risk / Issues (Private Appendix)

This is a list of shorter-term threats and issues which may require awareness and potential action. These are listed in the same order as the Corporate Risk Matrix to aid cross referencing.

Corporate Scrutiny are asked to:

1. Consider if the Corporate Risk Matrix reflects the major and long-term risks facing the council.
2. Consider the Emerging Risks / Issues schedule.
3. Consider if there any additional items that they would recommend be included

A Carruthers, Risk Officer & M E Dearnley, Head of Risk January 2023