



## **AUDIT COMMITTEE – 26TH JANUARY 2021**

**SUBJECT: UPDATE OF CORPORATE RISK REGISTER DECEMBER 2020**

**REPORT BY: DIRECTOR OF EDUCATION AND CORPORATE SERVICES**

### **1. PURPOSE OF REPORT -**

- 1.1 To provide an update of the Corporate Risk Register in accordance with the Council's Risk Management Strategy.
- 1.2 The updated Corporate Risk Register (CRR) Appendix 1 is presented to Audit Committee so there is opportunity for Committee to satisfy itself that appropriate arrangements are in place for the Council's risk management processes to be regularly and robustly monitored and scrutinised.

### **2. SUMMARY**

- 2.1 Under the Council's Risk Management Strategy, the Corporate Management Team (CMT) own, manage, monitor and review the Council's Corporate Risks on a quarterly basis, with six monthly progress reports submitted to Cabinet. Updates are also provided to Audit Committee, which has the role of reviewing and challenging the Risk Register and where relevant, resultant action plans for the Council's key strategic and corporate risks.
- 2.2 In order to present the most recent information, this report focuses on the CMT update of 18<sup>th</sup> December 2020.

### **3. RECOMMENDATIONS**

- 3.1 It is recommended that the Audit Committee considers the content of the Corporate Risk Register and associated mitigating actions.

### **4. REASONS FOR THE RECOMMENDATIONS**

- 4.1 For the Audit Committee to satisfy itself that robust processes and procedures exist and are applied for the management of top-level risks. Members have a critical role to play in evaluating the Council's risk management arrangements and understanding how the council identifies, manages and, where possible, mitigates/removes risk.

## 5. THE REPORT

- 5.1 Risks within the Authority are identified and managed at different levels. Service priorities identify risks to delivering business whilst Directorate risks identify more significant risks that may have cause and effect across a Directorate. The CMT Risk Register is the highest level of risks to the whole authority, often referred to as the Corporate Risk Register.
- 5.2 The Council's Performance Management Framework has been reviewed and redesigned and Cabinet endorsed the new framework in February 2020. The Councils Risk Management Strategy 2017 will need to be updated in 2021 in order to align with the new overall framework noted above.
- 5.3 Directorate risks will be updated on a quarterly basis and any risks identified as a whole authority risk will be escalated into the highest-level Corporate Risk Register. A significant advantage of this approach is that CMT will have a view of risks laterally across Directorates as well as 'top down'.
- 5.4 The Corporate Risk Register is a 'living document' and will change when reviewed and assessed on a quarterly basis. New risks will emerge, and some existing risks will be closed. Furthermore, risk ratings will change (red/amber/green) and mitigating actions and progress comments will be updated.
- 5.5 In summary the current Risk Register (appendix 1) has **3** risks that are rated as high (red), **12** at a medium risk (amber) and none that are rated at a low risk.  
There are **4 new** risks since this was last reported;  
CRR11 – Improvements to the Fleet Service  
CRR 12 – Covid-19 recovery Plan  
CRR 13 – Increased Homelessness  
CRR 14 – Microsoft operating support – risk of cyber attack
- There is **1** risk that has been removed  
CRR09 – Corporate Safeguarding Review, as this is managed more appropriately at a directorate level and most actions have been completed.
- There are **2** changes to the risk ratings which is CRR07 and CRR11  
CR07 – School attainment was a medium risk, and this has been increased to high as there is currently no way of knowing how the pandemic will affect attainment  
CR11 – Improvements to the Fleet Service started as a high risk and has now been assessed as a medium risk following mitigating actions.  
The rest have stayed the same with those that are high staying high and those that are medium remaining so.
- 5.6 Covid-19 recovery has a separate risk register which is noted under CRR12, but this does not replicate the content of the Covid risk register. This is because the Covid register changes frequently, sometimes daily in response to the circumstances so is very agile and is likely to be out of date, by the time it has gone through a reporting process.

5.7 Risk Management is an ongoing area for development in a wider sense and will be part of the review of the 2017 Risk Strategy.

## 5.8 **Conclusion**

In line with the approved Risk Management Strategy the Corporate Risk Register is periodically reviewed and updated and presented to the Audit Committee to provide an opportunity for the Committee to satisfy itself that appropriate arrangements are in place for high level risks to be regularly and robustly managed and scrutinised.

## 6. **ASSUMPTIONS**

6.1 The assumption is that at this point in time resources remain the same in addressing the risks for the future.

## 7. **LINKS TO RELEVANT COUNCIL POLICIES**

7.1 Corporate Plan 2018-2023.

## 8. **WELL-BEING OF FUTURE GENERATIONS**

8.1 Management of risk is an important element in delivering council priorities and ensuring contribution to the Well-being Goals as set out in the Well-being of Future Generations (Wales) Act 2015 [WBFGA]:

8.2 The Well-being of Future Generations (Wales) Act 2015 [WBFGA] identifies a core set of activities that are common to the corporate governance of public bodies where change needs to happen:

- Corporate Planning
- Financial Planning
- Workforce Planning
- Procurement
- Assets
- **Risk Management**
- Performance Management

The Corporate Risk Register incorporates the five ways of working identified within the sustainable development principle in the WBFGA. These are:

- **Involving** a diversity of the population in the decisions that affect them.
- Working with others in a **collaborative** way to find shared sustainable solutions.
- Looking **long-term** so that we do not compromise the ability of future generations to meet today's needs.
- Taking an **integrated** approach so that public bodies look at all the well-being goals in deciding on their well-being objectives.
- Understanding the root causes of issues to **prevent** them from occurring.

8.4 Risks are assessed in terms of their implications for the well-being of future generations, which may require a different risk rating from the risk operationally.

## **9. EQUALITIES IMPLICATIONS**

9.1 The Local Government Measure defines fairness and access as one of the criteria that constitutes 'improvement' within the Wales programme for Improvement 2009.

9.2 Promoting equalities is a fundamental requirement of the Future Generations legislation, with specific resonance for meeting the Well-being Goals of: *A More Equal Wales*, and *A Wales of Cohesive Communities*

9.3 An Equalities Impact Assessment (EIA) is not needed as this report relates to identified risks and any actions to address risks that require a report will have an EIA if required.

## **10. FINANCIAL IMPLICATIONS**

10.1 There are no direct financial implications to this report, although Appendix 1 identifies risks regarding the meeting of the Medium-Term Financial Plan (MTFP) reference CRR02.

## **11. PERSONNEL IMPLICATIONS**

11.1 There are no personnel implications arising from this report.

## **12. CONSULTATIONS**

12.1 This report has been sent to the consultees listed below and all comments received are reflected in this report.

## **13. STATUTORY POWER**

13.1 The Local Government (Wales) Measure 2009. Well-being of Future Generations (Wales) Act 2015.

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Appendices:

Appendix 1 The Corporate Risk Register Quarter 2 2020/2021 Progress Update.