



AUDIT COMMITTEE 28TH JANUARY 2020

SUBJECT: CORPORATE RISK REGISTER (Q2 2019/20)

REPORT BY: CORPORATE DIRECTOR OF EDUCATION & 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 the 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.
- 1.3 To update Audit Committee on the changes that has been made to the overall Performance Framework particularly in relation risk.

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 9th December 2019.

3. RECOMMENDATIONS

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

4. REASONS FOR THE RECOMMENDATIONS

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 in particular 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 over the course of the last 12 months and a report is going to Cabinet in February 2020 to view and approve the new framework and this will include how risk is reviewed and reported. The Council's Risk Management Strategy 2017 will need to be updated in order to align with the new overall framework as noted above.
- 5.3 The Directorate Risks will be updated on a quarterly basis and the risks identified as part of this will be escalated where appropriate to the Corporate Risk Register. A significant advantage of this new 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 No new risks have been added to the register since it was presented to Audit Committee on 15th October 2019. The Brexit Risk (CRR 01) has become a low risk and the Climate Change (CRR 04) risk has increased from Medium to High following discussions at the last Audit Committee meeting. All other risk levels have remained the same.
- 5.6 Risk Management is an ongoing area for development in a wider sense and will be part of the review the Risk Strategy 2017. In future reports we show the tracking of changing risk rating any risks that have been deleted and any new ones coming onto the register.

Conclusion

- 5.7 In line with the approved Risk Management Strategy the Corporate Risk Register is periodically reviewed and updated and is presented to the Audit Committee to provide an opportunity for the 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.

6. ASSUMPTIONS

- 6.1 We make the assumption that resources remain the same in addressing the risks for the future.

7. LINKS TO RELEVANT COUNCIL POLICIES

- 7.1 Corporate Plan 2018-2023 (reviewed and updated 2019).

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
- 8.3 The Corporate Risk Register incorporates the five ways of working (ICLIP) 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 to the **Long-term** so that we do not compromise the ability of future generations to meet their own 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.

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 Medium-Term Financial Plan (MTFP).

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

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Background Papers:

Appendices:

Appendix 1 – Corporate Risk Register Quarter 2 2019/20