

Open Report on behalf of Pete Moore, Executive Director of Finance and Public Protection

Report to:	Audit Committee
Date:	24 September 2018
Subject:	Update position on Risk Management

Summary:

This report provides the Committee with an update as to the progress made with the refresh of the Strategic risk register and an update on risk management generally.

Recommendation(s):

- 1) Note the contents contained within this report.

Background

- **Strategic risk register**

Following our update risk management report back in March 2018 to the members of the Audit Committee, we are looking to go to CMB for agreement on the current risks contained within the Strategic risk register and new risks that have been highlighted following the sessions with the Senior Leadership Group (SLG) earlier in the year. The timeframe for this has been adjusted to ensure we have sufficient input from the new Chief Executive.

We have however, started to progress individual updates with various managers on the risks contained within the Strategic risk register. This is ongoing at present with a view to taking the outputs from these discussions to individual risk owners for final agreement by December 2018 and reported back to Audit Committee in January 2019 with a completed Strategic risk register.

The current Strategic risk register includes the following risks;

Risk area	Risk Rating	Assurance Level
Safeguarding children	Green	Substantial
Safeguarding adults	Amber	Substantial
Business Continuity	Amber	Substantial

Risk area	Risk Rating	Assurance Level
Funding and financial resilience	Amber	Substantial
Project delivery	Amber	Substantial
Recruitment & retention of staff in high risk areas	Amber	Limited
Contracting – Significant Contracts	Amber	Limited
Cyber Security	Red	Limited

- **Risk Management Strategy**

We have updated our risk management strategy and this can be found in Appendix A.

- **Review of Corporate Risk & Safety Group**

It was felt timely that a review of the adequacy of the Corporate Risk & Safety Group was looked at. You may recall that this is the governance group that looks at Strategic issues / risks at a corporate level on Risk Management and Health & Safety matters.

Since our last meeting in March 2018, we have spoken with individual representatives on the group and asked the following questions;

- Do you believe that you have a consistent approach to risk & safety within your directorate?
- Could you evidence that messages at corporate risk & safety group are cascaded down within your directorate?
- Do you have a recognised Health & Safety lead for your directorate?
- Do you have a recognised Risk management lead for your directorate?
- What level is the lead for these areas within your directorate?
- Do you want corporate support or attendance at your group / or equivalent where risk & safety matters are discussed?
- Do you want a bespoke policy / terms of reference to work within your respective groups / or equivalent where risk & safety matters are discussed?
- Do you want corporate goals setting from the Corporate Risk & Safety Group?
- Do you think the Corporate Risk & Safety Group is fit for purpose?

In summary, there was a consensus that the Corporate Risk & Safety Group is fit for purpose. Individuals felt that it was good to have some form of governance around Risk & Health and Safety matters.

Other key themes coming out of the review were as follows;

- There are no requirements for additional goals to be set by the Corporate Risk & Safety group as it was felt that the way the current terms of reference have been written, these are effectively goals / targets to adhere too. These will need updating however.
- Notwithstanding the above, it was commented that it would be beneficial for the 'champions' who sit on the group to have some form of roles and responsibilities as individuals. This would enforce their roles on the group. We will draw up and take a draft copy of some roles & responsibilities for consideration at the next Corporate Risk & Safety Group.
- The addition of the top 5 risks for each directorate to be incorporated into the agenda and time spent on comparing and contrasting these and seeing whether there are any that should be included within the strategic risk register. This will be included within the next agenda of the Corporate Risk & Safety Group.
- There is no representative from the Commercial team on the group.
- With respect to additional representation such as Procurement, ICT, Legal etc, it was felt by the majority that they should come as and when the agenda requires attendance. This will be included within the agenda as and when required.
- There needs to be less operational discussions and more strategic direction.
- A theme at each meeting such as procurement to discuss the financial limits & rules was a suggestion. This will be included within the agenda as and when required.
- **Public Finance Innovation Awards – Innovation in Risk Management**

Following confirmation that risk management had been shortlisted as finalists for the Public Finance Innovation Awards, we are pleased to announce that we won the category of Innovation in Risk Management in April 2018. This was for our work on risk appetite over the past few years.

Conclusion

We continue to provide risk management throughout the organisation and adhere to best practice. This helps the Audit Committee to have a level of assurance that risks are being managed effectively.

Consultation

a) Have Risks and Impact Analysis been carried out?

Yes

b) Risks and Impact Analysis

Any changes to services and projects are subject to an Equality Impact Analysis. The considerations of the contents and subsequent decisions are all taken with regard to existing policies.

Appendices

These are listed below and attached at the back of the report	
Appendix A	Risk Management Strategy

Background Papers

No background papers within Section 100D of the Local Government Act 1972 were used in the preparation of this report.

This report was written by Debbie Bowring, who can be contacted on 01522 553772 or debbie.bowring@lincolnshire.gov.uk.