

REPORT TO:	AUDIT & GOVERNANCE COMMITTEE
DATE OF DECISION:	30 November 2023
REPORT TITLE:	Risk Register Entries 'Deep Dive'
CORPORATE DIRECTOR/DIRECTOR:	Jane West Corporate Director Resources & S151 Officer
LEAD OFFICER:	Malcolm Davies Head of Anti-Fraud, Risk & Insurance Malcolm.davies@croydon.gov.uk.
LEAD MEMBER:	Councillor Jason Cummings, Cabinet Member for Finance
AUTHORITY TO TAKE DECISION:	The Committee's terms of reference include monitoring the Council's risk management arrangements and providing independent assurance as to their adequacy.
KEY DECISION:	N/A
CONTAINS EXEMPT INFORMATION?	NO Public In line with the Council's commitment to openness and transparency, the corporate risk report will appear in Part A of the agenda unless there is specific justification for any individual entries being considered under Part B (set out under Paragraph 3 of Schedule 12A of the Local Government Act 1972 as amended).
WARDS AFFECTED:	All

1 SUMMARY OF REPORT

- 1.1 The presentations update the Audit & Governance Committee Members on progress against selected entries from the corporate risk register (the register).

2 RECOMMENDATIONS

The Committee is asked to:

2.1 Note the contents of the risk presentations attached in Appendix 1

3 REASONS FOR RECOMMENDATIONS

- 3.1 Members at the 19th October meeting of the committee reviewed the corporate risk register, those risks recorded as 'high rated' or RED on the register.
- 3.2 Members have the ability to 'call in' risks for a deep dive and the committee elected to concentrate on four red risks for a risk 'deep dive' at its 30 November meeting.
- 3.3 To assist the Council in meeting its best value duty.

4. BACKGROUND AND DETAILS

Risk 'Deep Dives'

- 4.1 Members have elected to concentrate on the following risks for a risk 'deep dive' presentation at the meeting of the committee.
 - CIC0029: 'Adherence to procurement regulations and planning'
 - CIC0012: 'Contract management and contract inflationary pressures'
 - CIC0008: 'Cost pressures in relation to contracts specifically focusing on utility and gas'
 - HSI0035: 'Fail to manage and deliver improvements on new Gas Safety & Heating Contractor in Year 1 - following mobilization in August 2023'
- 4.2 These presentation is attached at Appendix 1.
- 4.3 In line with the Council's commitment to openness and transparency, the risk register presentations will appear in Part A of the agenda unless, in accordance with the Access to Information Procedure Rules in the Council's Constitution there is specific justification for any individual entries being considered under Part B (set out under Paragraph 3 of Schedule 12A of the Local Government Act 1972 as amended).
- 4.10 It should be noted that some of the grounds for exemption from public access are absolute. However, for others such as that in para.3, 'Information relating to the financial or business affairs of any particular person (including the authority holding that information)', deciding in which part of the agenda they will appear, is subject to the further test of whether, in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

5 ALTERNATIVE OPTIONS CONSIDERED

5.1 Not applicable

6 CONSULTATION

6.1 Not applicable

7 CONTRIBUTION TO COUNCIL PRIORITIES

7.1 To assist the Council in meeting its best value duty.

8 IMPLICATIONS

8.1 None other than those identified in the body of the report.

9.1 FINANCIAL CONSIDERATIONS

9.1.1 There are no direct financial implications arising from this report.

9.1.2 The Council's financial reporting and medium-term financial strategy takes account of the risk management framework and considers the potential financial implications of risks.

9.1.3 Comments approved by Lesley Shields, Head of Finance for Assistant Chief Executive and Resources on behalf of the Director of Finance. 06/11/23

9.2 LEGAL CONSIDERATIONS

9.2.1 The Audit and Governance Committee is required by its terms of reference to monitor the effective development and operation of the Council's risk management arrangements, to monitor progress in addressing risk-related issues reported to the Committee, and to provide independent assurance to the Council of the adequacy of the risk management framework and the internal control environment. Therefore, the consideration of risk "deep dive" reports assists Members in discharging these responsibilities.

9.2.2 Separately, the management of risk has a direct impact on the Council's ability to deliver its functions in a manner which promotes 'economy, efficiency and effectiveness' (Section 3 Local Government Act (LGA) 1999). The best value duty applies to all functions of the Council. The Council is currently the subject of Directions from the Secretary of State requiring service improvement and transformation. Specifically, under Directions dated 20 July 2023, issued by the Secretary of State under Section 15(5) of the Local Government Act 1999, the Council must, amongst other things "secure as soon as practicable that all the Authority's functions are

exercised in conformity with the best value duty, thereby delivering improvements in services and outcomes for the people of Croydon". Therefore, the consideration of this report also seeks to demonstrate the Council's compliance with its Best Value Duty under the Local Government Act 1999.

- 9.2.3 Under Regulation 3 of the Accounts and Audit Regulations 2015, the Council must ensure that it has a sound system of internal control which facilitates the effective exercise of its functions and the achievement of its aims and objectives, ensures that the financial and operational management of the authority is effective, and includes effective arrangements for the management of risk. This report also seeks to demonstrate compliance with these legal duties.

(Approved by: Sandra Herbert, Head of Litigation and Corporate Law on behalf of the Director of Legal Services and Monitoring Officer Stephen Lawrence-Orumwense 17/11/2023)

9.3 EQUALITIES IMPLICATIONS

- 9.3.1 None

OTHER IMPLICATIONS

9.4 HUMAN RESOURCES IMPACT

- 9.4.1 There are no immediate human resource considerations arising from this report. Any impacts arising will be managed under the Council's HR policies and procedures.

Comments approved by: Gillian Bevan, Head of HR – Resources and Assistant Chief Executives directorates on behalf of Dean Shoemith, Chief People Officer.

9.5 ENVIRONMENTAL AND CRIME AND DISORDER REDUCTION IMPACTS

- 9.5.1 None

9.6 RISK IMPLICATIONS

- 9.6.1 No further risk issues other than those detailed in the report.

9.7 DATA PROTECTION IMPLICATIONS

- 9.7.1. **WILL THE SUBJECT OF THE REPORT INVOLVE THE PROCESSING OF 'PERSONAL DATA'?**

No.

No personal data is processed as part of the production of the Corporate Risk Register.

9.7.2. HAS A DATA PROTECTION IMPACT ASSESSMENT (DPIA) BEEN COMPLETED?

No.

Not applicable as no personal data is processed as part of the production of the Corporate Risk Register

10. APPENDICES

Appendix 1 Risk Presentation.

11. BACKGROUND DOCUMENTS: None