

REPORT TO:	GENERAL PURPOSES AND AUDIT COMMITTEE 4 March 2021
SUBJECT:	Corporate Risk Report
LEAD OFFICER:	Chris Buss, Interim Director of Finance, Investment & Risk and S151 Officer
CABINET MEMBER	Councillor Callton Young, Cabinet Member for Resources & Financial Governance
WARDS:	All
CORPORATE PRIORITY/POLICY CONTEXT:	
<p>As part of the General Purposes and Audit Committee's role of overseeing the risk management framework and receiving assurance that significant corporate (Red) risks are identified and mitigated by the organisation, this report accompanies the appendix document which presents those risks recorded as 'high rated' or RED on the corporate risk register as at 24th February 2021.</p> <p>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).</p>	
FINANCIAL SUMMARY: No additional direct financial implications.	
FORWARD PLAN KEY DECISION REFERENCE NO.: N/A	

1.1 RECOMMENDATIONS

The Committee is asked to:

Note the contents of the corporate risk register as at 24th February 2021

2. EXECUTIVE SUMMARY

- 2.1 The report updates the General Purposes & Audit Committee Members on the corporate risk register (the register) as at 24th February 2021.

3. DETAIL

Risk Register Report

- 3.1 The register presented details all the current corporate risks rated at a total risk score of 20 and above (Red Risks).
- 3.2 Since the register was last considered by Members, the following risks have been escalated to Red Status:
- FIR0021. Risk of further deterioration in Internal Control & Governance as a result of budget and resourcing constraints.
 - FIR0034. Risk that the audit of the 2019/20 and 2020/21 accounts requires a significant number of adjustments to be completed in order to provide a balance.
 - FIR0035. Risk that the additional £60m savings in respect of the 2022/23 financial year set out by MHCLG in Capitalisation Direction Agreement (2021) are not identified and delivered.
 - VRN0003. A rise in domestic abuse in the borough resulting in greater numbers of murders and serious harm.
- 3.3 Since the register was last considered by Members, the following risks have been de-escalated from Red status as follows.
- FIR0021. Funding levels provided through the Government Grant are significantly lower than forecast or anticipated. Elements of this risk are now incorporated into risk FIR0035.
 - C190017. Continuing increase in the infection rate of C19 leads to further restrictions on residents & businesses resulting in a prolonged demand for emergency provision of services. This risk has been de-escalated to Amber.
 - ELT0020. The council's financial strategy does not enable it to maintain the required level of reserves. This risk has been incorporated into risks FIR0034 and FIR0035.
- 3.4 In addition to the changes in the red risks noted above there have been a number of recent changes in relation to risk ownership as per the attached report and all risks are subject to an on-going review in relation current and future control measures.

- 3.5 In line with the Council's commitment to openness and transparency, the register will appear with the corporate risk report 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).
- 3.6 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.

4. FINANCIAL CONSIDERATIONS

- 4.1 There are no additional financial considerations arising from this report.

(Approved by Chris Buss –Interim Director of Finance, Investment & Risk and Section 151 Officer)

5. LEGAL CONSIDERATIONS

- 5.1 The Head of Litigation and Corporate Law comments on behalf of the Director of Law and Governance that there are no additional legal considerations arising from the recommendations in this report.

(Approved by: Sandra Herbert, Head of Litigation and Corporate Law on behalf of the Director of Law and Governance and Deputy Monitoring Officer)

6. HUMAN RESOURCES IMPACT

- 6.1 There are no additional Human Resources implications arising from this report.

(Approved by: Sue Moorman, Director of HR)

7. EQUALITIES, ENVIRONMENTAL AND CRIME AND DISORDER REDUCTION IMPACTS

- 7.1 None

8. RISK ASSESSMENT

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

- 8.2 The corporate Risk Management Team (RMT) operates a '**horizon scan**' strategy as part of the Council's Risk Management Framework.

8.3 The horizon scan strategy is implemented through the distillation of cross – organisational & external professional networks that are maintained by the RMT. This strategy incorporates a multi-faceted approach including activities such as:

- Intelligence sharing (especially in respect of significant events / incidents) with other local authorities such as the Local Government Association;
- Collaborative working particularly the London Boroughs network, London Councils and the Greater London Authority;
- Research conducted via professional and generic media mechanisms for example The Association of Local Authority Risk Mangers, CIPFA;
- Regular attendance at DMT's / DLT's on a quarterly basis;
- Participation in the relevant 'working group' activities / projects for example major systems implementation such as Oracle Cloud, or policy/legislative change implementation such as IR35 compliance; and
- The ability to 'add value' and strategic direction and guidance is an integral aspect of the risk management consultancy available to senior officers.

9. FREEDOM OF INFORMATION/DATA PROTECTION CONSIDERATIONS

9.1 Information contained in the Council's Risk Register or held in relation to the Council's risk management procedures may be accessible under the Freedom of Information Act subject to the application of any relevant exemptions, such as commercial sensitivity and whether disclosure was in the 'public interest'.

10. DATA PROTECTION IMPLICATIONS

10.1. 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.

(Approved by: Chris Buss, Interim Director of Finance, Investment & Risk and Section 151 Officer)

10.2. 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

(Approved by: Chris Buss, Interim Director of Finance, Investment & Risk and Section 151 Officer)

CONTACT OFFICER:

Malcolm Davies,
Head of Risk & Insurance
Ext 50005

BACKGROUND DOCUMENTS:

Appendix 1 Corporate Risk Register