

<b>Report to:</b>	<b>Audit and Standards Committee</b>
<b>Date:</b>	<b>16<sup>th</sup> July 2019</b>
<b>Title:</b>	<b>Strategic Risk Register Quarterly Review</b>
<b>Report of:</b>	<b>Chief Internal Auditor</b>
<b>Ward(s):</b>	<b>All</b>
<b>Purpose of report:</b>	<b>To report to Committee the outcomes of the quarterly review of the register by Corporate Management Team.</b>
<b>Officer recommendation(s):</b>	<b>To receive and note the update to the Strategic Risk Register</b>
<b>Reasons for recommendations:</b>	<b>The Council is committed to proper risk management and to regularly updating the committee with regard to the Strategic Risk Register.</b>
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## **1 Introduction**

- 1.1 The Strategic Risk Register is a high level document that records the key risks facing the council: those risks that would prevent the authority from achieving its overall strategies and objectives.
- 1.2 Maintaining the Strategic Risk Register is a vital part of the governance arrangements of the authority and, as such, it is overseen by the Corporate Management Team who review it on a quarterly basis.
- 1.3 The risk register shows the risk, a description of the risk, the risk score if no action is taken (original risk score), the internal controls put in place to mitigate the risk and the risk score after these controls are in place (current risk score).
- 1.4 The risk register is brought to the committee when any changes have been made to it following review by the Corporate Management Team.

## **2 June 2019 Review**

- 2.1 The Strategic Risk Register was taken to Corporate Management Team on the 11<sup>th</sup> June 2019 for the latest quarterly review.
- 2.2 Previously the “risk owner” was shown as the Corporate Management Team for each risk. However it has been agreed that risks should be allocated to

appropriate members of the team. The register has therefore been updated accordingly.

- 2.3 Two risk scores have been increased. These are for risks number 3 (changes of demands and expectations) and 4 (unsustainable employment base). In both instances the likelihood score has been raised from a 2 (possible) to a 3 (likely). This reflects the decrease in funding but the increased expectations for the authority and the increasing difficulties in recruiting to fill vacancies.

### **3 Future Work**

- 3.1 During the year the risk management strategy and processes and the Strategic Risk Register itself will be reviewed as a full review has not been undertaken for some years.
- 3.2 Zurich is being approached to discuss what training packages they can provide in order to ensure that our approach is up to date and robust.
- 3.3 The Chief Internal Auditor is also working with the Head of Business Planning and Performance to look at the links between risk and performance in order to review how the reporting can complement both aspects.
- 3.4 Once work on this is progressing, updates will be brought to committee.

### **4 Financial appraisal**

- 4.1 There are no financial implications arising from this report.

### **5 Legal implications**

- 5.1 This report demonstrates compliance with regulation 3 of The Accounts and Audit Regulations 2015, which requires the Council to operate a sound system of internal control, including effective arrangements for the management of risk.

*Lawyer consulted 17.06.19*

*Legal ref: 008358-EBC-OD*

### **6 Risk management implications**

- 6.1 If the Council does not have an effective risk management framework that is subject to proper oversight by Councillors it will not be able to demonstrate that it has in place adequate means to safeguard Council assets and services, and it could be subject to criticism from the Council's external auditor or the public.

### **7 Equality analysis**

- 7.1 An equalities impact assessment is not considered necessary because the report is for information only and involves no key decisions.

### **8 Appendices**

- Appendix 1 - Strategic Risk Register

## 9 Background papers

None