

Body:	AUDIT AND GOVERNANCE COMMITTEE
Date:	23 RD SEPTEMBER 2015
Subject:	Risk Management –Strategic Risk Register
Report Of:	Internal Audit Manager
Ward(s)	All
Purpose	To provide a report on the updating of the Strategic Risk Register and changes made to it.
Recommendation(s):	To consider and agree the amended Strategic Risk Register.
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1.0 Introduction

- 1.1 The terms of reference for the Audit and Governance Committee include the following: Review the effectiveness of the Council's arrangements for identifying and managing risks, internal control environment and corporate governance arrangements.
- 1.2 It has been agreed that the Strategic Risk Register need only be reported to Committee when there are any changes made.

2.0 Quarterly review of Strategic Risk Register

- 2.1. The Strategic Risk Register was taken to Corporate Management Team for its quarterly review to discuss current risks and risk levels listed and to decide whether any new risks need to be added.
- 2.2. At the last pre-agenda meeting for the Audit and Governance Committee, a question was asked about the risk of the Council entering into contracts etc. for which it did not have the proper funding available.
- 2.3. Whilst it was expressed that it was felt this risk fell under SR_008 on the register (Failure to meet regulatory or legal requirements), it was agreed to propose additional wording to the Corporate Management Team.
- 2.4. At the meeting of the Corporate Management Team on 4th August 2015 this wording was discussed and agreed. In the description of the risk the following wording has been added; "7. Entering into contracts etc. without having adequate finance in place". In the Internal Controls column the following wording has been added; "6. All managers are required to abide

by the Council's Procurement Rules".

- 2.5. Risk SR_004 (the employment market provides unsustainable employment market for the needs of the organisation) was also discussed at the meeting. It was felt that the ongoing shared services work with Lewes was not reflected in the register or in the risk score. Therefore, under point 3 of the internal controls the following sentence has been added; "Pursuit of mutually beneficial shared service arrangements". The mitigated risk, likelihood score was also reduced from a 3 to a 2 which brings the overall risk to green instead of amber. It is felt that this score reflects the evidence of resilience of resources that has come from this work.

3.0 Consultation

- 3.1 Corporate Management Team.

4.0 Resource Implications

- 4.1 Financial – Delivered within the approved budget for Internal Audit
- 4.2 Staffing – None directly as a result of this report, staff are engaged in risk matters on an ongoing basis.

5.0 Other Implications

- 5.1 None

6.0 Recommendations

- 6.1 To consider and agree the amended Strategic Risk Register.

Jackie Humphrey
Internal Audit Manager

Background Papers:

The Background Papers used in compiling this report were as follows:

None
