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| Body: | AUDIT AND GOVERNANCE COMMITTEE |
| Date: | 29 th November 2017 |
| Subject: | Risk Management |
| Report Of: | Audit Manager – (Eastbourne) |
| 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. |
| Contact: | Jackie Humphrey, Audit Manager, Telephone 01323 415925 or internally on extension 5925. E-mail address jackie.humphrey@lewes-eastbourne.gov.uk |

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 (CMT) on 31st October 2017 to consider whether any changes were required.
General Data Protection Regulation.
- 2.2. It was reported to CMT that the new General Data Protection Regulation come into force in May 2018 and that there is a large amount of work to be undertaken in preparation and this is already underway. This includes ensuring that all privacy notices are updated, ensuring that all systems/processes allow for documents to be found and destroyed in line with the Retention and Disposal Policy and to ensure that there is awareness of the new regulations across the authority. Internal Audit are just beginning a piece of work which will act as a gap analysis of progress against the regulation.
- 2.3. The Audit Manager therefore suggested that in the meantime the likelihood of risk SR_008 (Failure to meet regulatory or legal requirements) be increased.

- 2.4. This was agreed by CMT and the likelihood has been raised from 1 – Unlikely to 2 – Possible. This will be reviewed again when the Internal Audit review is complete.

Commercial Enterprises

- 2.5. The Audit Manager also suggested to CMT that there is a risk involved with the Council moving into setting up commercial enterprises. The Audit Manager felt that this did not fit comfortably under any of the current risks in the register. It was therefore suggested that a new risk be added to the register and proposed wording was presented.

- 2.6. The commercial enterprises referred to are companies which are fully controlled by the Council. These are:

Eastbourne Homes Limited
Eastbourne Housing Investment Company
South East Independent Living Limited
Aspiration Homes (EBC 50% and LDC 50%)
Eastbourne Downs Water Company (dormant)
Eastbourne Infrastructure Company (not yet incorporated)

- 2.7. CMT discussed the suggestion of a new risk and the proposed wording. The addition of the risk was agreed with slight amendment to the wording. The new risk can be seen at SR_009 on the attached risk register.

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 the new risk and amended scoring 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
