

Southend-on-Sea Borough Council

Report of Chief Executive and Town Clerk
To
Cabinet
On
16 January 2020

Agenda
Item No.

Report prepared by: Andrew Barnes – Head of Internal
Audit

2019-20 Corporate Risk Register – mid-year update

**Relevant Scrutiny Committee(s): Policy & Resources, People and Place
Scrutiny Committees**

**Cabinet Member – Cllr Woodley
A Part 1 Public Agenda Item**

1 Purpose of Report

- 1.1 To consider the 2019/20 Corporate Risk Register mid-year update.

2 Recommendations

That Cabinet considers the 2019/20 Corporate Risk Register and the mid-year updates outlined in Appendix 2.

3 Corporate Risk Register 2019/20

- 3.1.1 The Council's Corporate Risk Register sets out the key risks to the successful delivery of the Council's corporate ambition and outcomes and outlines the key controls and actions to mitigate and reduce risks, or maximise opportunities.
- 3.1.2 Updates on the Corporate Risk Register are reported to Corporate Management Team (CMT) quarterly and to Cabinet twice a year in June and January. The mid-year comments on each risk and action are included in Appendix 2.
- 3.1.3 CMT and other Directors have undertaken a review of the current content. This in the context of the ongoing work to further develop and align work on risk across the Council so that the approach to risk management is better embedded, supports the governance framework, the transformation agenda and integrated decision making.
- 3.1.4 CMT and other Directors have identified the following areas to be included in, and then monitored and reviewed, as part of the Corporate Risk Register for 2019/20:
1. Council Budget / financial sustainability
 2. Recruiting and retaining staff
 3. Key external challenges
 4. Housing
 5. Local Infrastructure

6. Secondary School Places
7. Health and Social Care
8. Information management and cyber security
9. Children's Services Improvement Plan
10. Waste Management
11. Flooding / cliff slip
12. Major developments
13. Local Plan
14. Climate Change Emergency

3.1.5 The Directors have considered and agreed the following changes to the corporate risks in this period:

- Risk 2: Recruiting and retaining staff has been broadened to become about the Workforce more generally
- Risk 6: Secondary School Places has been de-escalated from the corporate risk register and the risk will be managed by the service moving forward
- Risk 7: Health and Social Care has been broadened to encompass the challenge of addressing health inequalities
- Risk 9: Children's Services Improvement Plan has been broadened to encompass the delivery of effective Children's Services to achieve the Council's outcomes in the context of the current financial position, rather than focussing on the Improvement Plan specifically
- Risk 14: Climate Change Emergency has been added to the corporate risk register following the Council's declaration of a climate emergency.

3.1.6 The format of the Corporate Risk Register currently follows a 3 stage process:

1st stage: An 'inherent score' with the risk assessed with no controls, assurance or actions in place.

2nd stage: The 'current score' where the risk is assessed with controls, assurances and progress against identified actions. The current score is adjusted in light of progress against actions.

3rd stage: The target score which is the risk with the controls, assurances and actions, as if they have been completed

The current score is then adjusted in light of progress against actions.

3.1.7 Deputy Chief Executives and Directors ensure service specific risks are managed within their departments, within service plans and in accordance with the risk management strategy and processes. 'Red' rated risks with corporate implications can be escalated to CMT via Corporate Directors. Actions for all these risks are updated and reviewed by Departmental Management Teams.

3.1.8 Operational risks, managed within departments, are also assessed as part of reviews undertaken by Internal Audit and project risks are monitored by CMT where applicable.

4 Corporate Implications:

4.1 Contribution to the Southend 2050 Road Map

The Corporate Risk Framework underpins the operational effectiveness of the Council's Corporate Governance arrangements and specifically monitors progress of managing key risks associated with the successful delivery of the 2050 Ambition and Outcomes.

4.2 Financial Implications:

Any financial implications arising from identifying and managing risk will be considered through the normal financial management processes. Proactively managing risk can result in reduced costs to the Council by reducing exposure to potential loss.

4.3 Legal Implications:

The Accounts and Audit Regulations 2015 require that:

A relevant authority must ensure it has a sound system of internal control which facilitates the effective exercise of its function 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.

4.4 People Implications:

Any people and property implications arising from identifying and managing risk will be considered through the Council's normal business management processes.

4.5 Property Implications:

None specific.

4.6 Consultation:

Consultation has taken place with key stakeholders of the corporate risk register.

4.7 Equalities and Diversity Implications:

Corporate equalities considerations have been considered in the drafting of the register and any specific equality related risks have been identified for the Council.

4.8 Risk Assessment:

Failure to implement a robust assurance framework which includes fit for purpose risk management arrangements increases the risk that Council ambition and outcomes will not be delivered.

4.9 Value for Money:

Effective forecasting and timely management of risk is a key factor in preventing waste, inefficiency and unnecessary or unplanned use of resource.

4.10 Community Safety Implications:

None specific.

4.11 Environmental Impact:

None specific.

5 Appendices:

Appendix 1 – Corporate Risk Matrix

Appendix 2 - 2019/20 Corporate Risk Register mid-year position

