

Southend-on-Sea Borough Council

Report of Chief Executive and Town Clerk
To
Cabinet
On
28 July 2020

Agenda
Item No.

Report prepared by: Andrew Barnes – Head of Internal
Audit

Corporate Risk Register – June 2020 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 revised presentation of and updated summary Corporate Risk Register.

2 Recommendations

That Cabinet considers the revised presentation of the updated summary Corporate Risk Register and the position at June 2020 outlined in Appendix 1.

3 Summary Corporate Risk Register

- 3.1.1 The Council's Corporate Risk Register sets out the key risks to the successful delivery of the Council's corporate Southend 2050 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 it is proposed that the summary position is reported to Cabinet twice a year in June and January. The updated comments on each risk or opportunity and management arrangements to mitigate are included in Appendix 1.
- 3.1.3 CMT and other Directors have undertaken a review of the current format and content. This has led to the revised presentation of the risks to demonstrate the alignment to the Southend 2050 Themes and 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, supporting the organisation to manage well in an increasingly complex environment.
- 3.1.4 In the period since the last report to Cabinet there have been huge changes in the context that the Council is operating within as a result of the Covid-19 pandemic emergency. This emergency has had far reaching consequences and impacts across the whole of the Council's activities, the ways that services and officers are required to operate and the support that it has needed to provide to the Borough, as was covered in a separate report to Cabinet on 9 June 2020.

3.1.5 CMT and other Directors have identified the following areas to be managed, monitored and reviewed as part of the Corporate Risk Register:

1. Financial sustainability
2. Workforce
3. ICT / cyber security / data protection
4. EU exit
5. Public services landscape
6. Covid-19 pandemic
7. Safeguarding responsibilities
8. Adapting to climate change
9. Inequalities
10. Child welfare
11. Housing
12. Adult social care
13. House building programme
14. Regeneration and major projects
15. Southend as a visitor destination
16. Economic recovery and income inequalities
17. Waste management service
18. Local plan

3.1.6 It is worth noting that the format of the underlying Corporate Risk Register currently follows a 3 stage process:

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

2nd stage: The 'current risk' where the risk is assessed with controls, assurances and progress against identified management actions and arrangements. It is this position that is being reported within the summary corporate risk register at Appendix 1.

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

3.1.7 Appendix 1 provides a summary of the risks and opportunities currently on the corporate risk register and the arrangements in place to manage those, along with the 'current score' position for each risk as assessed by management, based on the risk or opportunity itself and the management of the issue that is in place to ensure that it progresses as the Council would want.

- 3.1.8 The risks as documented are effectively the worst-case scenario of what could happen if the Council is not appropriately managing the issue that it is facing. This does not mean that it will happen, as the purpose of the arrangements being put in place to manage the risk, or deliver the opportunity, is to ensure that the issue works out in the way that the Council wants it to.
- 3.1.9 Executive and other Directors ensure service specific risks are managed within their departments, within service management and in accordance with the risk management strategy and processes. 'Red' rated risks with corporate implications can be escalated to CMT via those Directors. Actions for these risks are updated and reviewed by Departmental Management Teams.
- 3.1.10 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 – Summary of Corporate Risk Register as at June 2020

