

Report to: **Audit, Best Value and Community Services Scrutiny Committee**

Date: **27 September 2016**

By: **Chief Operating Officer**

Title of report: **Strategic Risk Monitoring**

Purpose of report: **To update the Committee on current strategic risks faced by the Council, their status and risk controls / responses.**

RECOMMENDATION: The Committee is recommended to note the current strategic risks and the risk controls / responses being proposed and implemented by Chief Officers.

1. Background

1.1 Sound risk management policy and practice should be firmly embedded within the culture of the council, providing a proportionate and effective mechanism for the identification, assessment and, where appropriate, management of risk. This is especially important in the current climate where there remains considerable uncertainty about the future.

1.2 Robust risk management helps to improve internal control and support better decision-making, through a good understanding of individual risks and an overall risk profile that exists at a particular time. To be truly effective, risk management arrangements should be simple and should complement, rather than duplicate, other management activities.

2. Supporting Information

2.1 The Council's Strategic Risk Register, which is attached as Appendix 1, is formally reviewed by Departmental Management Teams (DMT's) and Corporate Management Team (CMT) on a quarterly basis. Members should note that this version of the Strategic Risk Register was reviewed by CMT on 31st August 2016 and was presented to Cabinet on 20th September 2016. The following paragraphs summarise the changes made since the risk register was last presented to Audit, Best Value and Community Services Scrutiny Committee.

2.2 Risk 5 (Reconciling Policy, Performance & Resource) has been retitled (previously Resource). Risk 7 (Schools) and Risk 9 (Workforce) have also been amended, whilst Risk 4 (Health), Risk 5 (Reconciling Policy, Performance and Resource), Risk 6 (Local Economic Growth), Risk 7 (Schools) and Risk 9 (Workforce) all have updated risk control measures.

2.3 Risk 4 (Health) has an increased risk score from amber to red and Risk 6 (Local Economic Growth) also has an increased risk score, from green to amber. However, Risk 2 (Ordinary Residence) has a reduced risk score, from red to amber.

2.4 Due to the dynamic nature of the council's strategic risk profile, two risks previously included in the Strategic Risk Register have been removed. These are the risks relating to the 'Care Act', which has been removed because the Care Act programme has been closed, and the risk labelled 'Welfare Reform', since the area to which this risk referred is now part of 'East Sussex Better Together'. A new risk, (Recruitment) has also been added to the Strategic Risk Register for this review.

2.5 We will continue to explore opportunities to further strengthen the Council's risk management arrangements and for mitigating our key strategic risks. It is however, important to recognise that in some cases there is an inherent risk exposure over which the Council has only limited opportunity to mitigate or control.

3. Risk Improvement Activity

3.1 Regular reviews of risk registers continue to be carried out in conjunction with departmental risk coordinators and risk owning managers to ensure that relevant risks are identified and risk controls / responses are effective.

3.2 As part of our plans to help strengthen and embed risk management, some schools risk survey training will be provided for officers who regularly visit schools. The purpose of the training is to assist officers to help identify risks across a full range of areas, including building risks, fire and security, visitor access, potential liability risks and health and safety related risks. This training will be delivered in October by colleagues from the council's property insurance company, Zurich Municipal.

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Background documents:
None