

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

Date: **22 March 2018**

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 the Corporate Management Team (CMT) on a quarterly basis. Members should note that this version of the Strategic Risk Register, which relates to Quarter 3 of 2017 / 2018, was reviewed by CMT on 7th February 2018 and presented to Cabinet on 6th March 2018.

2.2 The following paragraphs summarise the changes made since the risk register was last presented to Audit, Best Value and Community Services Scrutiny Committee on 27th September 2017.

2.3 **Risk 12 (Cyber-attack)** has been updated and also has updated risk control responses. **Risk 4 (Health), Risk 5 (Reconciling Policy, Performance & Resources), Risk 6 (Local Economic Growth), Risk 7 (Schools), Risk 8 (Capital programme), Risk 9 (Workforce) and Risk 10 (Recruitment)** all have updated risk control responses.

2.4 One Risk 'Apprenticeship levy' (formally Risk 11) has been deleted from the Strategic Risk Register. CMT are satisfied that this risk is now appropriately controlled with an action plan in place and therefore it has been de-escalated from the Strategic Risk Register. All risk ratings (red, amber, green) remain unaltered since the last 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. As part of the Orbis shared service arrangement, risk management support continues to be provided to Surrey County Council. It is proposed that this arrangement will continue into 2018.

3.2 A review of flood risk management has also been commenced. The aim of the review is to identify council buildings, with particular reference to schools, that are at increased risk of flooding with the aim of implementing cost effective risk controls. This work is being undertaken by the council's property insurer, Zurich Municipal, in conjunction with the Flood Risk Management team in the Communities, Economy and Transport (CET) department. The cost of this project will be met from existing risk management budgets.

3.3 Support has also been provided in relation to a review, refresh and development of the Highways Contract risk register and the Adecco contract risk register, relating to the provision of temporary staff.

Kevin Foster
Chief Operating Officer

Contact Officers: Rawdon Philips, Risk & Insurance Manager, Tel: 01273 481593
Email: rawdon.philips@eastsussex.gov.uk

Local Member: All

Background documents :
None