

Report to: **Audit Committee**

Date: **25 March 2019**

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 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. To be truly effective, risk management arrangements should be simple and should complement other management activities.

1.3 The corporate risk management function is now provided by the Service Improvement and Risk Manager as part of the Orbis Finance Centres of Expertise.

2. Supporting Information

2.1 The Council's Strategic Risk Register, which is attached as Appendix A, is reviewed by DMT's and CMT on a quarterly basis. The version of the Strategic Risk Register attached relates to Quarter 3 of 2018 / 2019, was reviewed by CMT on 6 February and presented to Cabinet on 5 March.

2.2 The changes made since the risk register was last presented to the Audit Committee on 20 September 2018 are:

- Updated risk controls to:
 - Health (risk 4) – governance arrangements for partnership working with the NHS;
 - Capital Programme (risk 8) – Capital reporting and profiling review;
 - Workforce (risk 9) – implementation of initiatives to address mental health absences; and
 - Recruitment (risk 10) – all controls updated.
- The post control RAG (Red, Amber, Green) rating of Reconciling Policy, Performance and Resource (risk 5) has increased from Amber to Red due to uncertainty over future Government funding.
- A new risk No-Deal Brexit has been added following discussions with the Audit Committee and CMT.

2.3 All other risks have had no changes and no existing risks have been removed from the strategic risk register since the last review.

2.4 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 Management Activity

3.1 The Service Improvement and Risk Manager is currently reviewing the Council's risk management framework and risk arrangements and will report the updated risk management framework to the next meeting of the Audit Committee.

Kevin Foster
Chief Operating Officer

Contact Officer: Cath Edwards, Service Improvement and Risk Manager
Tel: 020 85419193
Email: Cath.Edwards@surreycc.gov.uk

Local Member: All

Background documents :
None