

Report to: **Audit Committee**

Date: **12 July 2019**

By: **Chief Operating Officer**

Title of report: **Strategic Risk Monitoring – Quarter 4 2018/19**

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.

2. Supporting Information

2.1 The Council's Strategic Risk Register, which is attached as Appendix 1, is reviewed by DMT's and CMT on a quarterly basis. The version of the Strategic Risk Register attached relates to Quarter 4 of 2018 / 2019, was reviewed by CMT on 22 May 2019 and presented to Cabinet on 25 June 2019.

2.2 The key changes made since the risk register was last presented to the Audit Committee on 25 March 2019 are:

Risk	Change	Reason
No deal Brexit (14)	Post mitigation likelihood score increased from 2 to 3, increasing the overall RAG from amber to red.	Likelihood was increased in Q4 as we were approaching 31 March without a deal and the Civil Service had stepped up their contingency planning for such a scenario.
Schools (7)	Pre mitigation likelihood score decreased from 4 to 3 and post mitigation likelihood score decreased from 4 to 2, decreasing the overall RAG from red to amber.	Following an overall review and reassessment against the other red risks on the strategic risk register, it was agreed this risk should be ranked lower.

Risk	Change	Reason
Dedicated Schools Grant (13)	Risk removed.	A plan has been agreed as part of the medium term financial plan.
Climate	New risk added.	This is an increasingly significant risk both nationally and locally and has therefore now been included on the strategic risk register.

2.3 Risk controls have been updated for all the risks on the Strategic risk register apart from cyber attack (12) which has no changes.

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.

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Background documents:
None