

Report to: **Audit Committee**

Date: **6 July 2021**

By: **Chief Operating Officer**

Title of report: **Strategic Risk Monitoring – Quarter 4 2020/21**

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

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 (DMTs) 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 4 of 2020/21, was reviewed by CMT on 12 May 2021 and presented to Cabinet on 29 June 2021.

2.2 The previous update to this Committee was in March 2021 to present the Strategic Risk Register as at Quarter 3 2020/21. There have been various updates to the Strategic Risk Register to reflect the Council's risk profile as follows:

- **Risk 14 (Post European Union (EU) Transition)** has updated risk definition, controls, and post mitigation score.
- **Risk 8 (Capital Programme)** has updated risk definition and controls.
- **Risk 1 (Roads), Risk 4 (Health), Risk 6 (Local Economic Growth), Risk 9 (Workforce), Risk 15 (Climate) and Risk 16 (Covid-19)** have updated risk controls.

2.3 The format of Appendix 1 has been revised to enable the Committee to see trends in the Strategic Risk Register. The appendix now includes additional summary information to present historic RAG ratings, as well as current pre and post mitigation RAG ratings.

2.4 Officers 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. Conclusion and Recommendation

3.1 The Committee is recommended to note the Strategic Risk Register in its revised format.

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Background documents:
None