

Report to Business & Transformation Scrutiny Panel

Agenda Item:
A.3

Meeting Date: Thursday 18th October 2018
 Portfolio: Finance, Governance & Resources
 Key Decision: Not Applicable:
 Within Policy and Budget Framework YES
 Public / Private Public

Title: CORPORATE RISK REGISTER
 Report of: Chief Executive's Office Manager
 Report Number: CS 33 18

Purpose / Summary:

The purpose of this report is to update members of the Business and Transformation Scrutiny Panel on the management of the Council's Corporate Risk Register.

Recommendations:

1. The Panel is asked to scrutinise and comment on the current Corporate Risk Register, as set out in Appendix 1.
2. The Panel is asked to scrutinise and comment on the draft Risk Management Assurance Framework, as set out in Appendix 2.

Tracking

Executive:	Not applicable
Overview and Scrutiny:	Not applicable
Council:	Not applicable

1. BACKGROUND

- 1.1** In accordance with the Council's draft Risk Management Assurance Framework, the Corporate Risk Register (CRR) has been submitted to the Business and Transformation Scrutiny Panel for monitoring on a six-monthly basis. This report contains the revised current CRR, attached at Appendix 1 for consideration and comment.

2. PROPOSALS

2.1 Corporate Risk Register – progress since the last report to Business & Transformation Scrutiny Panel on 22nd March 2018.

Members will be aware that the Corporate Risk Management Group (CRMG) is responsible for delivering and reviewing the Risk Management Assurance Framework, maintaining and improving risk management processes as well as monitoring and advising on the Council's Corporate Risk Register.

The CRMG meets quarterly and most recently met on 19th September 2018. Special meetings will be called by the Chair should risks be escalated and require an intervention from the CRMG or Senior Management Team.

The Senior Management Team are due to receive an update on the CRR at its meeting on 23rd October 2018. Each Departmental Management Team across the Directorates has been asked to consider any emerging new corporate risks which will feed into these discussions.

The CRR was last reviewed by the CRMG at its meeting on 19th September 2018. The control strategy narrative as well as dates have been updated since this meeting and an up to date version is attached at Appendix One. The latest CRR now reflects the most up to date version of the Carlisle Plan.

Members will note that there are no additional corporate risks since the CRR was last reviewed by the Panel at its meeting in March 2018.

A review of the City Council's draft Risk Management Policy is now complete. The Policy has been replaced with the Risk Management Assurance Framework which is attached at Appendix Two for consideration by Members of this Panel. This Framework has been approved by the CRMG and Senior Management Team. It will

be reported to Audit Committee on 17th December 2018 as part of their update on risk management across the authority.

The most significant changes which Members are asked to note are:

- A foreword from the Chief Executive which sets out the culture we expect around risk management. (Page 2)
- Greater detail around roles and responsibilities (Page 11)
- Introduction of a new typology for risks - strategic, operational and project guidance or the assessment and management of these risks is now contained in the framework.
- Inclusion of the Three Lines of Defence Model – the first line comprises the arrangements that operational management have implemented to ensure risks are identified and managed; the second line of defence refers to the strategic or management oversight arrangements in place to provide management with information to confirm that first line controls are operating effectively and the third line of defence comes from independent assurance. Details of each of these levels within Carlisle City Council are set out in the Framework (Page 17)
- New tools to aid managers when assessing and managing risks – PESTLE analysis; Bow Tie Risk Assessment (contained in Appendices)

The Council's Risk Management sub group of the Business Management Board, continues to meet every 4-6 weeks. This sub group is chaired by the Council's Corporate Director of Finance & Resources (this postholder is also our Section 151 Officer). The Sub Group focuses on risks at an operational/directorate level. Issues raised here can be escalated to the CRMG if deemed appropriate.

The CRMG receive the minutes from the Sub Group for information. A review of all operational risk registers throughout the authority is currently being overseen by the Sub Group and this has proven useful.

The sub group has also recognised a number of risks which should be reflected across all operational risk registers. This is helpful in ensuring consistency across the Council when risks are being considered. These generic risks include those associated with General Data Protection Regulation; lone working; retention of key staff; compliance with legislation etc.

Updates of operational risk registers for this period are underway and will have been completed within specified timescales as set out in the City Council's Risk Management Assurance Framework.

Operational risk registers are currently stored, updated and monitored via the City Council's chosen corporate system, which is Project Server. It has been recognised that there is a need to review the use of this system. The aim is to potentially replace this with a system which is user friendly, provides us with greater functionality and ability to manipulate data to feed into our reporting requirements as well as a dashboard which can show at a glance the number of risks with a red RAG rating; those risk registers which have yet to be updated; those risks which have escalated in the last quarter that might require attention. A workshop for the development of this new system is scheduled to take place on 8th October 2018 and Members will be kept informed.

3. CONSULTATION

- 3.1 Corporate Risk Management Group meeting on 19th September 2018
Senior Management Team on 23rd October 2018.

4. CONCLUSION AND REASONS FOR RECOMMENDATIONS

- 4.1 The Panel is asked to scrutinise and comment on the Corporate Risk Register as set out in Appendix One.
- 4.2 The Panel is also asked to review and comment on the draft Risk Management Assurance Framework.

5. CONTRIBUTION TO THE CARLISLE PLAN PRIORITIES

- 5.1 The Corporate Risk Register is reviewed quarterly, it is the strategic risk assessment for the Carlisle Plan.

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Appendices **Appendix 1 – Corporate Risk Register**
attached to report: **Appendix 2 Draft Risk Management and Assurance Framework**

Note: in compliance with section 100d of the Local Government (Access to Information) Act 1985 the report has been prepared in part from the following papers: