

Slough Borough Council

Report To:	Audit and Corporate Governance Committee
Date:	28 th September 2022
Subject:	Risk Management Update – Quarter 2 2022/23
Chief Officer:	Steven Mair – Director of Finance and Commercial (S151)
Contact Officer:	Clare Priest – Group Manager – Commercial
Ward(s):	All
Exempt:	No
Appendices:	Appendix 'A' – Corporate Risk Register

1. Summary and Recommendations

- 1.1 This report is to update the Audit and Corporate Governance committee on the corporate risk register with an opportunity to comment and amend it as shown in appendix A.
- 1.2 This is the fifth revision of the risk register which is being reviewed monthly. This is to ensure the Council maintains a proper strategic risk register.

Recommendations:

- 1.3 The Audit and Corporate Governance Committee is recommended to:
 - Note the revision to the risk register and comment on the report

Reason:

- 1.4 Risk is inherent in all activities across the Council and risk management is an integral part of the Council's corporate governance arrangements. Managing risk improves the way we do business. It plays a key role in helping achieve our strategic objectives. It helps ensure decision making is better informed, precious resources are used efficiently and effectively and helps avoid unwelcome surprises. Good risk management is a key part of our everyday business.
- 1.5 It is good practice to review and update the Council's corporate risk register on a regular basis.

Commissioner Review

“The Directions imposed on the Council require specific actions plans to be prepared to the satisfaction of the Commissioners and then implemented. Not all plans are in place to the satisfaction of Commissioners and the monitoring and reporting on progress still has to be established in a comprehensive and effective way. Until these issues are resolved the Council is at significant risk of further action.”

2. Report

Introductory paragraph

- 2.1 Risk management is a critical part of good governance and it is needed to effectively deliver the priorities in the council's corporate plan.
- 2.2 As part of the risk and audit board's continuing work to routinely review all strategic level risks, further improvements have been made to the corporate risk register.

Options considered

- 2.3 Risk management is a continual activity that needs to be embedded into the culture of the council. Options considered were:
- a) Keep the previous version of risk register – this is not recommended because:
 - there were too many risks for a corporate register and some risks are more appropriate for directorate registers e.g. elections and electoral registration, GDPR
 - the register was organised as an incoherent list rather than coherent grouping of themes
 - the register did not include feedback from Corporate Leadership Team (CLT)
 - b) Devise a revised register based on feedback from Audit and Corporate Governance Committee and Corporate Leadership Team which will be reviewed on a regular basis. **This is the recommended option.**

Background

- 2.4 Since the last Audit and Corporate Governance Committee further actions have been taken to strengthen risk management process and procedures and improve the Corporate Risk register.
- 2.5 Corporate Leadership Team review the risk register monthly, and on a quarterly basis, hold a risk management workshop to ensure that the key strategic risks the council faces is properly reviewed. As a result, the register is now more focused on the risks to delivering the corporate priorities, and indicates four main risk themes:
- council spend and budgetary pressures
 - keeping children and young people safe
 - investment in the town centre
 - recruitment and retention of staff, and staff capacity
- 2.6 CLT refined the number of risks on the register to 14 and these now better reflect the strategic risks facing the authority. In addition, the following improvements have been made and the register now:
- reflects the organisational restructure of the council, in particular the responsible owner at Executive Director level
 - is organised into thematic groupings: people; staff; statutory responsibilities; financial sustainability; and recovery

- better reflects the nature of some of the risks as the title has been changed to make them more meaningful.
- includes the health and safety of staff risk to ensure it makes reference to the impact of stress on staff

3. Implications of the Recommendation

3.1 Financial implications

- 3.1.1 There are no direct financial implications relating to the updates to the corporate risk register and the mitigating actions, but completion of the actions will improve the council's processes including those that underpin sound financial management, for example the council's accounts and budget.

3.2 Legal implications

- 3.2.1 Failure to address those risks associated with the Directions from the Department for Levelling Up, Housing and Communities will impact the ability to secure the Authority's compliance with the requirements of Part I of Local Government Act 1999.

3.3 Risk management implications

- 3.3.1 Failure to operate an adequate strategic risk register exposes the Council to risk across a wide variety of services because:

- Risks are not identified
- Actions are not planned and progress reported
- Members are not made aware of the serious risks facing the Council

- 3.3.2 There are a number of mitigations in place that currently rates the risk Amber and reflects the continuing work to develop management of strategic risk including:

- a pro active officer risk and audit board
- pro active management of the risk register
- a risk register that encompasses strategic risks with actions, milestones
- reporting that shows trends, update on actions and impact of actions

- 3.3.3 The council is working to rate the risk Green in the 2023/24 financial year by implementing the following actions:

- recruit to an in house Risk and Insurance Team to provide support, guidance, professional advice and the necessary tools and techniques to enable the organisation to take control of the risks that threaten delivery.
- implement an Enterprise Risk Management Framework and if necessary, an associated IT system to manage risk

3.4 Environmental implications

- 3.4.1 There are no direct environmental implications in this report

3.5 Equality implications

3.5.1 There is no identified need for an Equality Impact Assessment.

4. Background Papers

None