

Risk Management Update

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Purpose

Audit Committee has a role of ensuring that the Council has in place adequate and robust risk management processes and policies.

This report is provided to keep audit committee members aware of the current risk position of the council at the very highest risk level.

Recommendation

1. That the Committee note progress on the work plan as presented at the Audit Committee of 25 October 2018.
2. That the Committee note the current risk status recorded in TEN attached to this report

Progress on work plan.

Audit committee of 25 October approved a new work plan to review risk management to ensure a consistent and integrated approach across SSDC.

A fundamental change in the new approach will be to move away from the current practice of risk owners identifying and managing risks individually in TEN. We will look instead to develop a collaborative network of risk champions to support and offer guidance to risk owners. Their remit will be to provide standardisation and consistency in our identification and assessment of risk across SSDC, and provide recommendation to risk owners and the risk officer on appropriate action. This will also include recommendation on any escalation of risk.

It is important to note that risk champions are not intended to be risk owners: Their role will be to provide advice, support and guidance to risk owners through a collective review and group decision on the content of their service area risk registers. This will be delivered through ½ day review meetings for each service area facilitated by the risk officer. Frequency of reviews is still to be agreed but will be aligned to reporting for Audit committee and SLT meetings.

An initial assessment has been undertaken of how we might structure the network of risk champions in order to provide a suitable oversight and shared understanding of the operational and corporate risks. Nominations have been sought from the following areas:

Commercial & Income Generation: Property, Land and Development
Income / Opportunity Development
Environmental Services

Service Delivery:	Environmental Health
	Customer Focus
	Planning
Corporate Services:	Finance
	IT
	Project Management Office Projects

Nominations are to be confirmed by 16 November. Risk champions will then be invited to a series of training sessions/risk workshops to share good practice in risk identification and management and to start to work on new registers for each service area. The risk consultant from Zurich Insurance will support these sessions and provisional dates have been agreed to deliver these workshops (subject to availability of staff).

Current risk Status

At the Audit committee meeting of 25 October, it was requested that an update of the current corporate risk register TEN be provided. To facilitate this the owners of any critical risks were requested to provide an interim update on the current risk position.

Critical risks are those registering above the current risk appetite line as identified on the attached report “. The risk appetite is the level beyond which the potential for the risk occurring or its impact is significant enough to merit additional review or escalation.

It should be noted that due to ongoing transformation within the authority ownership of some critical risks has changed. New owners for these risks have now been identified and the risk log in TEN updated accordingly. (see attachment “Risk responses at 11.2018”) However due to staff availability the following critical risks have not been reviewed or updated at the time of report. These items will be followed up by risk officer with the owners at the earliest opportunity.

- R 342 - Local Enterprise Partnership
- R 298 - Financial security regulations for payments not met

The interim review indicates no changes in the inherent or residual risk scores for the critical risks. The current TEN “Risk Monitoring Dashboard” is attached to this report. A collective review of all open risks in the current TEN risk log will be conducted as part of the planned risk workshops.
