

AUDIT AND GOVERNANCE COMMITTEE

29 JULY 2021

RISK MANAGEMENT UPDATE

Recommendations

- 1. The Chief Internal Auditor recommends that the Risk Management update be noted.**

Background

2. The Corporate Risk Register is a mechanism for collating and accurately reporting risks that could affect the delivery of corporate objectives. In March 2020, a new risk management role was created to evaluate the current system, provide assurance to the Council that clear and effective processes were in place and manage the risk process.
3. The risks associated with the Covid19 pandemic have brought the need for a strong and effective risk culture to the forefront. The Council adopted a coordinated approach with district councils and other partners which has evolved and improved to produce an efficient process for the effective escalation of risk to Silver and Gold Command. Independent weekly reviews of Covid risks are undertaken by the Risk and Assurance Manager to ensure accurate reporting and escalation, and to enable relevant mapping to the current corporate risks.
4. An understanding of the risks has allowed for a prompt response by the Local Outbreak Resilience Team (LORT) to arrange both surge and door-to-door testing in key areas. It should be noted that the pandemic had raised the profile of infectious diseases risk globally to the highest potential impact for 2021 whereas extreme weather had maintained a position as one of the most likely risks this year.

Corporate Risk Management Group (CRMG)

5. The role of the group is to assist in the implementation and management of risk across all aspects of the Council's activities. They support decision-making by embedding risk within directorates and coordinating the escalation of risks on to the corporate risk register.
6. CRMG have a responsibility to set the overall risk framework and establish and monitor the corporate risk register. Corporate risks are those that might impact on the high level, medium to long-term goals and objectives of the Council together with those cross-cutting issues that have potential to impact significantly on service delivery.

7. In 2021/22 the group continue to improve risk management by actively engaging in the development of a more effective process for recording and evaluating risks based on key themes. The risks will be recorded in a new system called Pentana Risk which sits alongside the existing Audit system, Pentana Audit.

Risk management

8. A corporate risk review was undertaken which evaluated all risks and concluded that there was inconsistency in terminology and depth of risk recording, which provided challenges in effective reporting. The Pentana Risk system was procured to improve both consistency and reporting and is currently being implemented. The risk management team is mapping the corporate risks to the new system to give a clearer profile of risk. This process will initially increase volume of risks but provide a clearer overall profile.

9. The implementation process, which includes uploading current data, will be completed mid-July with a period of review before a wider launch to the workforce. The system will also enable us to report to Committee in a more interactive way and we will demonstrate this functionality in due course.

10. At the end of March 2021, the Corporate Risk Register contained 124 individual risks of which 12 were identified as high risks. At the same point there were no high risks on the Covid Risk Register. CRMG is monitoring the existing high risks to escalate any matters to the Strategic Leadership Team (SLT). At this stage no escalation has been proposed.

11. Going forward the Risk Management team and CRMG, alongside the SLT and Chief Officer's Group will be reviewing the corporate risk strategy, register and processes for managing risk and will engage this Committee in that process.

Contact Points

Specific Contact Points for this report

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Background Papers

In the opinion of the proper officer (in this case the Chief Internal Auditor) there are no background papers relating to the subject matter of this report.