

BOROUGH OF KETTERING

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Report Originator	Head of Resources Mark Dickenson	Forward Plan Ref: N/A	
Wards Affected	All	25 th July 2019	
Title	RISK MANAGEMENT UPDATE		

1. PURPOSE OF REPORT

- 1.1 The purpose of this report is to provide an update on Risk Management and the associated strategic risk register

2. INTRODUCTION & BACKGROUND

- 2.1. A full review of the Council's risk management procedures is undertaken every two years with a refresh being undertaken the year following the full review. The last full review was in November 2018.
- 2.2. The Council's internal audit providers (CW Audit Services) undertook a full review of the Council's risk management system as part of the 2018/19 Internal Audit Plan. The review highlighted that the systems and processes in place to manage risk are generally sound and the overall opinion of the review was that the Council has a robust risk management strategy and policy in place and that significant assurance could be placed on the design and operation of the system's internal controls.
- 2.3. The internal audit report did make a recommendation that the Strategic Risk Register should be reviewed on a biannual basis, on account of the additional strategic risks that the Council might have to manage as a result of Local Government Reform. Therefore, an additional review has taken place and is being reported to this Committee.
- 2.4. Risk Management is an inherent element of the Council's Key Performance Information Booklet that is presented to this Committee at each meeting, and it underpins how the Council identifies and manages key risks.

3. STRATEGIC RISK REGISTER

- 3.1. The management of strategic risk is a critical factor in the successful delivery of services, use of resources and decision-making. It underpins good corporate governance and assists management in the fulfilment of their corporate responsibilities.
- 3.2. The Council maintains a Strategic Risk Register to assist in the management of its strategic risks. The register was last considered by this Committee in November 2018.

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- 3.3. It is important that the Strategic Risk Register is reviewed regularly to take account of any changes in risk levels or to identify any new risks.
- 3.4. A review of the Strategic Risk Register was undertaken by the Council's Corporate Management Team (CMT) and Strategic Management Team (SMT) who considered all existing risks to establish if these risks are still a corporate risk. All of the risks were assessed and scored as follows:
- a) an assessment of their 'gross' risk level (i.e. the assessed likelihood of the risk occurring prior to the consideration of any controls or mitigation factors that the Council has in place).
 - b) an assessment of their 'residual risk' (i.e. the assessed likelihood of the risk occurring after the consideration of the control environment / mitigation factors that the Council has in place).
 - c) an assessment of the likely impact of the risk should the event happen.

The impact is not affected by the mitigation factors but the likelihood is.

- 3.5. The Strategic Risk Register is attached at **Appendix A** and still reflects the risks, mitigation and impact as reported to this committee in November 2018. The impact of Local Government Reform is not confined to one specific area of the risk register but has the potential to impact across multiple areas and can be mitigated by those measures already in place. The Risk Register will continue to be updated as these emerging risks become clearer.
- 3.6. In particular the following four areas have already been identified as having the potential to be particularly influenced by the process of Local Government Reform and were updated accordingly.
- Ensuring Corporate Capacity
 - Maintaining Political Focus and Stability
 - Maintaining Staff Moral
 - Robust & Effective HR Policies
- 3.7. The difference between the gross risk and the residual risk is basically the level of risk that is being managed through the control measures that are in place.

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4. RECOMMENDATION

That Monitoring & Audit Committee endorse the Strategic Risk Register

Background Papers:

Previous Reports/Minutes:

Title of Document: See Appendices

Ref:

Date:

Date:

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