

AUDIT AND RISK ASSURANCE COMMITTEE

26 July 2018

Subject:	Resources Directorate Risk Register
Director:	Executive Director – Resources
Contribution towards Vision 2030:	
Contact Officer(s):	<p>Narinder Phagura Business Partner - Audit, Fraud, Risk and Insurance narinder_phagura@sandwell.gov.uk</p>

DECISION RECOMMENDATIONS

That Audit and Risk Assurance Committee:

1. Review and comment upon the accompanying report.

1 PURPOSE OF THE REPORT

- 1.1 To update the Committee with details of the risks identified for the Resources directorate and the mitigations in place to manage these risks. A summary of these risks is attached as an appendix to this report.
- 1.2 Further details are attached for information.

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2 IMPLICATIONS FOR SANDWELL'S VISION

- 2.1 Effective risk management is a key element of good corporate governance and is essential to the overall performance of the council in meeting its vision 2030. Good risk management will ensure that resources are used efficiently and effectively in the delivery of the Sandwell vision and that assets and resources are protected against risk in the most efficient way.

3 BACKGROUND AND MAIN CONSIDERATIONS

- 3.1 One of the roles of the Audit and Risk Assurance Committee is to assure itself that risks to the delivery of the council's key priorities are being managed. The Committee will be aware that these risks are managed through the council's risk management process which is set out in its Corporate Risk Management Strategy, and involves the development of risk registers at strategic, directorate, operational and project levels.

Risk hierarchy



- 3.2 Ownership of the individual directorate risks is assigned to service managers, who have responsibility to:

- Consider and agree the risk description
- Assess the current risk score based upon the controls in place and the assurances they have received on the adequacy and effectiveness of these controls

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- Implement mitigating actions to reduce the risk scores where necessary, in order to deliver the target risk score by the target date

- 3.3 The Executive Director is responsible for keeping the Cabinet Members informed of the relevant risks that fall within their portfolio and the implementation of mitigating actions.
- 3.5 Further ongoing reviews of the directorate register are then undertaken by the Directorate Management Team on a regular basis.
- 3.4 A summary of the directorate risks is included at Appendix A of this report. This summary should be considered alongside the council's strategic risk register which also includes a number of risks which the Resources directorate has responsibility for managing.

4 THE CURRENT POSITION

- 4.1 The directorate incorporates the following service areas:

- Finance
- Human Resources
- Procurement
- Governance Services (including Legal Services)
- ICT
- Revenues and Benefits

- 4.2 The risk register at Appendix A includes the key risks for the directorate. The risks are reviewed by risk owners and the directorate management team on a regular basis, in line with the council's corporate risk management strategy.
- 4.3 In addition to the directorate register, operational risks are also identified and managed by service areas where appropriate, and for key projects, a project risk register has been established.

5 CONSULTATION (CUSTOMERS AND OTHER STAKEHOLDERS)

- 5.1 The review and update of each directorate risk, has been discussed with the risk owners (as noted at Appendix A) and reported to the Directorate Management team. In addition, the relevant Cabinet Members are regularly updated with the progress made in the mitigation of key risks.

6 ALTERNATIVE OPTIONS

- 6.1 Whilst this report does not require a decision, when measures are being considered for the mitigation of each of the risks, account is taken of any alternative options available.

7 STRATEGIC RESOURCE IMPLICATIONS

- 7.1 The authority's Corporate Risk Management Strategy (CRMS) requires close identification and alignment of risks to budget planning processes. In this way, the identification and management of its key risks informs the authority's allocation of resources.
- 7.2 The authority's budget planning process incorporates financial and other resources required to manage the authority's risks.

8 LEGAL AND GOVERNANCE CONSIDERATIONS

- 8.1 The purpose of risk management is to assist in the achievement of the Sandwell vision and the authority's statutory responsibilities.
- 8.2 There are numerous standards applicable to the management of risk within the local authority sector. Included amongst these is guidance from CIPFA/Solace, the British Standards Institute (BSI) and a set of joint standards published by the Institute of Risk Management (IRM), Alarm (The public sector risk management association) and AIRMIC (Association of Risk Managers in Industry and Commerce). Evidence that robust management of the authority's strategic risks is being undertaken demonstrates compliance with these standards.

9 EQUALITY IMPACT ASSESSMENT

- 9.1 As a decision is not being sought in this report, it is not necessary to undertake an Equality Impact Assessment.

10 DATA PROTECTION IMPACT ASSESSMENT

- 10.1 As a decision is not being sought in this report, it is not necessary to undertake a Data Protection Impact Assessment.

11 CRIME AND DISORDER AND RISK ASSESSMENT

11.1 There are no crime and disorder risks arising from this report.

12 SUSTAINABILITY OF PROPOSALS

12.1 There are no direct sustainability issues arising from this report.

13 HEALTH AND WELLBEING IMPLICATIONS

13.1 There are no direct health and wellbeing implications from this report.

14 IMPACT ON ANY COUNCIL MANAGED PROPERTY OR LAND

14.1 There is no direct impact on any council managed property or land from this report.

15 CONCLUSIONS AND SUMMARY OF REASONS FOR THE RECOMMENDATIONS

15.1 The purpose of the report is to update the Audit and Risk Assurance Committee with the key risks that the Resources directorate is managing, as summarised in Appendix A.

16 BACKGROUND PAPERS

16.1 None.

17 APPENDICES:

Resources directorate risk register summary.

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Executive Director – Resources

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