

Report to Overview and Scrutiny Committee

Subject: Corporate Risk Management Scorecard Quarter 4 2019/20

Date: 20 July 2020

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Purpose

To update members of the Overview and Scrutiny Committee on the current level of assurance that can be provided against each corporate risk as agreed at the last Committee.

Recommendation

That the Overview and Scrutiny Committee:

- Note the progress of actions identifies in the Corporate Risk register and any concerns identified by the Audit Committee.

1 Background

- 1.1 It was agreed at the last Overview and Scrutiny Committee it would receive quarterly updates on the Corporate Risk Scorecard and specifically those issues that are identified by the Audit Committee to be of concern.
- 1.2 The current Risk Management Strategy & Framework was last considered and approved by the Cabinet in October 2017. The purpose of the Strategy and Framework is to define how risks are managed by the Council. It provides guidance on the processes, procedures, roles and responsibilities for risk, and it sets out the context on how risks are to be managed. It defines the key role for the Audit Committee as providing independent assurance to the Council with regard to the effectiveness of the risk management framework and the associated control environment. This includes the monitoring of the framework and ensuring the implementation of all audit actions.
- 1.3 The Corporate Risk Register is a key enabler of the Strategy and Framework, and provides assurance on the key risks identified as corporate risks.

- 1.4 Existing risks identified within both the Council's corporate and operational service risk registers are subject to quarterly review by senior management and on an ongoing basis through the work of Internal Audit.
- 1.5 This approach has meant that some of the risks included within the corporate risk register have been set at a relatively high score with the expectation that as mitigation measures are properly recorded or actions taken, then these risks should start to improve over the coming months. This is not to say that all risks will return to 'green', as mitigation measures can only go so far, and some risks may always be inherently 'red' or 'amber' as the score reflects the potential impact on the Council and the likelihood of that event occurring.
- 1.6 The Corporate Risk Register and supporting comments as at the end of March 2020 are appended to this report, and this includes a summary of all control gaps currently identified on the Council's Corporate Risk Register.
- 1.7 Members are fully aware of the risks arising from the national outbreak of the coronavirus, Covid-19. The impacts of this, as at quarter 4, have been reflected in the risk register. Two reports were presented to Cabinet on 18 June 2020 detailing Gedling's response to the pandemic, and proposing a Reset Strategy to include a review of the Gedling Plan to ensure that it remains fit for purpose and incorporates any new work streams arising from Covid-19 impacts.
- 1.8 Members of the committee should note that all risks are unchanged from last quarter with the exception of three areas which have all been affected by the Covid 19 Pandemic.

2 FAILURE TO MAINTAIN FINANCIAL INTEGRITY

Current Risk and Direction of Travel: RED – Deterioration from D4 (major impact/high likelihood to E4 (major impact/very high likelihood)

10 FAILURE TO MAINTAIN SERVICE STANDARDS, CUSTOMER SATISFACTION, AND/OR MEET CUSTOMER EXPECTATIONS

Current Risk and Direction of Travel: AMBER – Deterioration (from a fully controlled risk B1 to C3 Significant Impact/Significant Likelihood)

12 FAILURE TO REACT TO AN ENVIRONMENTAL INCIDENT OR MALICIOUS ACT

Current Risk and Direction of Travel: AMBER – Deterioration from fully controlled to Serious Impact/Low Likelihood.

Additional information regarding these risks is attached at **Appendix 1 and 2.**

No issues of concern were identified at the Audit Committee held on the 7th July.

4 Financial Implications

4.1 There are no financial implications arising out of this report.

5 Legal Implications

5.1 There are no legal implications arising out of this report.

6 Equalities Implications

6.1 There are no equalities implications arising out of this report

7 Carbon Reduction/Environmental Sustainability Implications

7.1 There are no carbon/environmental/sustainability implication arising out of this report.

8 Appendices

8.1 Appendix 1: Corporate Risk Register Monitoring – Quarter 4, March 2020

8.2 Appendix 2: Risk Management Scoring Matrix