WEST NORTHAMPTONSHIRE COUNCIL

AUDIT AND GOVERNANCE COMMITTEE

16 November 2022

Report Title	Strategic Risk Register

Appendices

Strategic Risk Register

1.   Purpose

1.1.   The purpose of this report is to:

1.1.1.   Highlight the changes in the strategic register since the last meeting.

1.1.2.   Consider the effectiveness of the current risk management process.

2.   Recommendations

2.1.   It is recommended that the Committee:

2.1.1.   Considers the Strategic Risk (update summary provided at attached at Appendix 1).

2.1.2.   Discuss the effectiveness of the current risk management process and potential process changes.
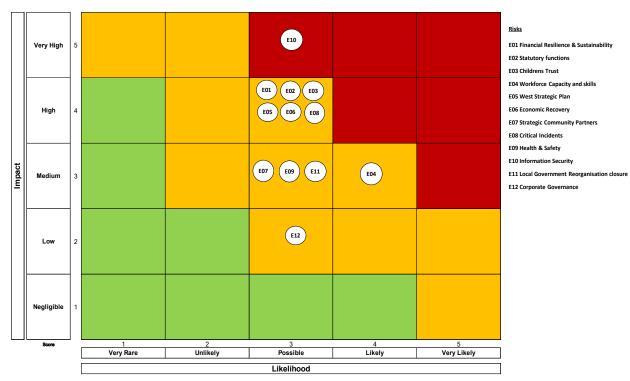
3. Issues and Choices

Information

3.1 The Audit and Governance Committee's terms of reference set out that the Committee should:

"Monitor the effective development and operation of risk management and corporate governance within the Council."

Risk Register update

3.2 The residual score for each risk has been considered to determine if the score should be amended to reflect the revised actions and general update. The review of the risk register should update the current position on each risk, but the residual risk may remain the same. In this update the risk scores for all 12 risks have remained as previously scored. Update comments are provided in Appendix 1.

3.3 Two risk scores are provided in the appendix for each of the risks. An 'inherent' risk score which is assessed as if no controls or mitigating actions were in place. Mitigations are then highlighted, and each score is re-assessed considering those mitigating actions to provide a 'residual' score for each risk.

3.4 The residual score for each of the risks is summarised in the matrix below, there are no changes from the previous quarter:

CORPORATE RISK REGISTER
Q2 30 September 2022

Impact	Score	1 Very Rare	2 Unlikely	3 Possible	4 Likely	5 Very Likely
Very High	5			E10		
High	4			E01 E02 E03 / E05 E06 E08		
Medium	3			E07 E09 E11	E04	
Low	2			E12		
Negligible	1					

Likelihood

Risks

E01 Financial Resilience & Sustainability

E02 Statutory functions

E03 Childrens Trust

E04 Workforce Capacity and skills

E05 West Strategic Plan

E06 Economic Recovery

E07 Strategic Community Partners

E08 Critical Incidents

E09 Health & Safety

E10 Information Security

E11 Local Government Reorganisation closure

E12 Corporate Governance

3.5 The next full update from all service areas will be undertaken during December 2022 and January 2023 to reflect a quarterly reporting date of 31 December 2022.

Risk process effectiveness

3.6 The risk management process is under review and the Risk Management Strategy will be updated and shared with the Committee once completed along with guidelines for managers and officers.

3.7 The current risk management process is adequate in terms of monitoring known risks and evaluating the effectiveness of current mitigations. Improvements to the process will enable us to develop the following areas:

3.7.1 Engagement across all areas – risk should be monitored at operational, directorate and leadership level

3.7.2 Monitoring at regular intervals – consideration should be given to the correct monitoring interval for all risks which may be monthly, quarterly, or annually

3.7.3 Emerging risks – alongside monitoring known risks, the Council should scan for and evaluate future risks

3.7.4 Reporting – to be effective we need to ensure that the correct message gets to the correct people. Our risk reporting will be layered, with high level summaries drilling through to individual risks

3.8 Provide clarity around the process, linking risks more closely to service delivery. Our current risk register is only monitored at a corporate level, whereas effective risk management is embedded throughout all levels of the Council. The current process is not well understood outside of senior management and is seen as the remit of others to manage. An implementation plan has been drafted to include engagement with all service areas to develop risk registers and to set up a Corporate Risk Management Working Group that will meet regularly throughout 2023 to discuss current and emerging risks that may affect the Council.

4. Implications (including financial implications)

4.1. Policy

4.1.1. There are no significant policy implications arising from this report.

4.2. Resources and Risk

4.2.1. The Council's strategic risks are contained within attached Appendix.

West Northamptonshire Council

4.3.   Legal

4.3.1.   There are no significant legal issues associated with this report.

4.4.   Equality and Health

4.4.1.   There are no significant equality and health issues associated with this report.

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