WIRRAL

AUDIT AND RISK MANAGEMENT COMMITTEE

Monday, 25 January 2021

REPORT TITLE:	CORPORATE RISK MANAGEMENT UPDATE
REPORT OF:	DIRECTOR OF RESOURCES

REPORT SUMMARY

This report provides an update on the Council's risk management framework and highlight areas of risk management work in the coming year.

This matter affects all Wards within the Borough. It is not a key decision.

RECOMMENDATION

That the report be noted.

SUPPORTING INFORMATION

1.0   REASON/S FOR RECOMMENDATION/S

1.1   To enable the committee to understand the Authority's most significant risks, the associated mitigating controls, and the risk management framework to fulfil its role of providing independent assurance of the Council's Risk Management Framework.

2.0   OTHER OPTIONS CONSIDERED

2.1   No other options considered.

3.0   BACKGROUND INFORMATION

3.1   Given the short reporting period between this meeting and the last update to the Committee, including the festive break and developments in the COVID-19 response there is limited change in position to report.

3.2   **Corporate Risk Register (CRR)**

3.2.1   As outlined in the report to the Committee in November the Corporate Risk Register is undergoing a detailed review and alignment to the Wirral Plan 2025 priorities and activity ahead of the new financial and business plan year. A summary of the Corporate Risks is attached in Appendix 1.

3.2.2   The CRR, and directorate risks, will be reported inline with the Council's new Performance Management Framework. This will include new arrangements for risks to be monitored at the Organisational Performance Board and any areas of non-compliance addressed at Corporate Governance Group.

3.2.3   The CRR contains different types of risk, sometimes referred to as fast or slow clock speed risks. Fast clock speed risks have a high degree of uncertainty, facts emerge in real time and there is little time to think making expertise key to their management and mitigation. Slow clock risks have some degree of predictability, data is available to support them and there is time to think and develop processes and control systems. However, these slow clock risks need to be managed, regularly monitored and controls kept under review.

3.2.4   The Council has several slow clock risks on its Corporate Risk Register including two relating to Information Management and Cyber Security. At Committee on the 16th November a question was raised about the Council's information management arrangements and compliance with the General Data Protection Regulations (GDPR).

3.2.5   As part of the Council's response to the COVID-19 pandemic approximately 1900 staff are working from home, an increase of 400%. This has inevitably changed the risks to the Council and the mitigation activity required to minimise the chance of the risks occurring and any potential impact if they did.

3.2.6   The Council's Senior Information Risk Owner and Data Protection Officer will bring a detailed report to the Committee in March detailing the work that has been undertaken in the past year to help mitigate these changing risks and the plans for the coming year which will help to ensure the Council's compliance in a number of information management and data protection policy areas.

3.2.7   This includes new or updated e-learning courses, additional staff to assist in the increased work relating to data protection and information sharing with partners, the review of key policies to ensure they adequately cover the changes to agile working and continued staff awareness messages of the responsibilities everyone has in relation to information management and security.

3.3   **Assurance Mapping Exercise**
3.3.1   During the pandemic response the routine assessment and inspection regimes, both internal and external, have not been able to take place in the usual way. Therefore, a different approach is being developed to ensure the continued ability to obtain assurance of robust levels of internal control.

3.3.2   An integrated assurance mapping exercise is in development, aligned to each of the Corporate Risks, which will help to determine the level of assurance and controls in place across the Council.

3.3.3   This integrated assurance is provided through the three lines of defence and links the day-to-day management by service managers, the risk management and corporate compliance elements and, the assurances from the internal audit function. The intention is to provide the committee with a visual representation of these activities mapped against the Corporate Risks.

3.4   **Member Sub-Group**
3.4.1   The first meeting of the ARMC Sub-Group for the new Chair and Spokespersons has been arranged for Monday 1st February 2021. This will include a brief training session on the basics of risk management and a review of the corporate risks.

3.4.2   The aim is to make additional risk management training available for members of this and other committees during 2021/22 to enable Members to develop their understanding of the Council's risk management framework and the risk information reported to them.

4.0   FINANCIAL IMPLICATIONS

4.1   There are no immediate financial implications arising directly from this report.

5.0   LEGAL IMPLICATIONS

5.1   There are no immediate legal implications arising directly from this report.

5.2   The Authority has a statutory responsibility under Part 2 – Internal Control of the Accounts and Audit Regulations (England) 2015 to have arrangements in place for the management of risk. It also forms part of the seven new core principles within the

best practice guidance, 'Delivering Corporate Governance in Local Government: Framework' published by the Chartered Institute of Public Finance and Accountancy (CIPFA) and the Society of Local Authority Chief Executives (SOLACE).

6.0   RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS

6.1   There are no resource implications arising directly from this report.

7.0   RELEVANT RISKS

7.1   Without robust risk management procedures in place there is a danger that the Council will fail to identify, understand, and monitor key strategic and operational risks. An ineffective and poorly established risk management framework prevents the optimisation and balanced approach between risk taking and control, leading to ineffective assurance and missed opportunities. The consequence of both is that risks are not considered in decision-making which could have serious financial, reputation and resource implications.

7.2   Risk management arrangements for the Council form part of the key controls for the Corporate Risk 20 – Effective Governance.

8.0   ENGAGEMENT/CONSULTATION

8.1   No specific consultation has been undertaken with regards to this report.

9.0   EQUALITY IMPLICATIONS

9.1   Wirral Council has a legal requirement to make sure its policies, and the way it carries out its work, do not discriminate against anyone. An Equality Impact Assessment is a tool to help council services identify steps they can take to ensure equality for anyone who might be affected by a particular policy, decision, or activity. No equality issues arising from this report.

10.0   ENVIRONMENT AND CLIMATE IMPLICATIONS

10.1   The content and/or recommendations contained within this report are expected to:

- Have no impact on emissions of Greenhouse Gases

REPORT AUTHOR: **Helen Turner,**
Risk Continuity and Compliance Manager
email: helenturner@wirral.gov.uk

APPENDICES

Appendix 1 – Corporate Risk Register Summary

BACKGROUND PAPERS

Risk Management Policy

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Audit & Risk Management Committee	
Improvements to the Corporate Risk Management Framework	23 July 2018
Development of the Revised Corporate Risk Register	24 September 2018
Development of the Revised Corporate Risk Register	19 November 2018
Development of the Revised Corporate Risk Register	28 January 2019
Development of the Revised Corporate Risk Register	11 March 2019
Update of the Corporate Risk Register	22 July 2019
Update of the Corporate Risk Register	23 September 2019
Update of the Corporate Risk Management Arrangements	18th November 2019
Corporate Risk Management Update	27th January 2020
Risk Management Update	10th March 2020
Corporate Risk Management Update	16th November 2020