



Audit and Risk Management Committee
Monday, 19 November 2018

REPORT TITLE:	IMPROVEMENTS TO THE CORPORATE RISK MANAGEMENT FRAMEWORK
REPORT OF:	Director of Finance and Investment

REPORT SUMMARY

The Council is working to improve its arrangements for managing risk as part of a broader programme of enhancements to corporate governance. This report is the latest in a series which deal with the progress of existing improvement actions and others to be taken in the coming months.

RECOMMENDATION

1. That Members note the actions taken to date.

SUPPORTING INFORMATION

1.0 REASON FOR RECOMMENDATION

- 1.1 The committee needs to understand the authority's arrangements for managing risk in order to fulfil its role of providing independent assurance of the Council's governance regime.

2.0 OTHER OPTIONS CONSIDERED

- 2.1 None. The need to deliver improvements to the Council's risk management arrangements has been recognised by both SLT and this committee.

3.0 BACKGROUND INFORMATION

- 3.1 In my report to this committee on 12 March 2018 I indicated that improvements to the Council's risk management framework needed to be made.
- 3.2 My subsequent reports of 23 July and 24 September 2018 described actions that had subsequently been taken to understand and begin to implement the changes which were needed. Those actions included the establishment of a Task and Finish group whose role was to identify and oversee the implementation of improvements and a network of officers across the organisation charged with supporting the embedding of the Council's revised risk management arrangements.

Further Developments

- 3.3 The Risk Management Support Officers Group met on 16 October 2018. The criteria for escalating risks to SLT and a model for governing risk information within directorates were discussed. New Directorate risk registers were reviewed for the first time and the risk component of a new monthly Directorate Report Pack and arrangements for its production were agreed. Training in risk management principles and good practice for group members and their deputies has been arranged for 4 December 2018.
- 3.4 The Risk Management Task and Finish Group met on 24 September 2018. It was agreed that the revised corporate risk register would be reported to both Audit and Risk Management Committee and to Portfolio Boards. The need for risk to inform reports on the delivery of the Councils current priorities was also recognised and arrangements for this are being developed. A paper on risk maturity and a proposal to revisit the output from a previous CIPFA benchmarking exercise as a means of identifying further improvement was considered.
- 3.5 The most recent meeting of the Risk Management Task and Finish Group took place on 29 October 2018. Progress with the population of the revised corporate risk register and the position as regards directorate and programme risk registers was reviewed. The training provided to members of Overview and

Scrutiny Committees was noted. A summary of priorities identified from an initial review of the CIPFA risk management benchmarking questions was also considered. These included work to define the Council's current appetite and capacity for key risks, developing training options for Members, managers and staff, developing key risk indicators for significant risks, greater scrutiny by SLT and Members of the management of key risks and ensuring that Portfolio Holders have a good consistent understanding of the key risks in their areas.

- 3.6 Members of Overview and Scrutiny committees had previously indicated a wish to incorporate scrutiny of risk into their work programmes. To ensure that those members have a good basic understanding of risk and the principles and practice of managing risk a training session was delivered on 2 October 2018. The session also covered the role of scrutiny and the particular responsibility of Audit and Risk Management Committee in relation to the effectiveness of the Councils risk management framework.

4.0 FINANCIAL IMPLICATIONS

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

5.0 LEGAL IMPLICATIONS

- 5.1 The improvements will help to support compliance with the Council's obligations under Part 2 of the Accounts and Audit Regulations 2015.

6.0 RESOURCE IMPLICATIONS: ICT, STAFFING AND ASSETS

- 6.1 Risk management support officers have been identified from the Council's existing establishment.

7.0 RELEVANT RISKS

- 7.1 The actions referred to in section 3.0 are intended to improve the Councils overall ability to manage risk effectively.

8.0 ENGAGEMENT/CONSULTATION

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

9.0 EQUALITY IMPLICATIONS

- 9.1 There are none arising directly from this report.

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APPENDICES

None

BACKGROUND PAPERS

None

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Audit & Risk Management Committee Improvements to the Corporate Risk Management Framework	23 July 2018
Improvements to the Corporate Risk Management Framework	24 September 2018