



AUDIT AND RISK MANAGEMENT COMMITTEE

Tuesday, 15 March 2022

REPORT TITLE:	CORPORATE RISK MANAGEMENT UPDATE
REPORT OF:	DIRECTOR OF RESOURCES (S151 OFFICER)

REPORT SUMMARY

This report provides an update on the Council's risk management arrangements and areas of risk management focus over the coming year.

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

RECOMMENDATION

The Audit and Risk Management Committee is recommended to note the report.

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 appropriate as failure to report this information would demonstrate ineffective governance and non-compliance with professional best practice.

3.0 BACKGROUND INFORMATION

Corporate Risk Register (CRR)

- 3.1 The Strategic Leadership Team (SLT) undertook a detailed reassessment of the Corporate Risk Register on 2nd March. This included a review of the existing Corporate Risks and consideration of new risks. The in-depth discussion and reflection highlighted several risks that require a change in emphasis and focus alongside the development of several new risks. This work will be undertaken over the next few weeks.
- 3.2 The discussion highlighted the changing external environment; from the shift to a different phase of the pandemic, to one of living with COVID-19, and the recognition of the potential impact of the war in Ukraine, for example pension fund investments in Russia and the increased threat of cyber-attacks.
- 3.3 There was also a recognition that some of the risks faced by the Council do not easily align with the Wirral Plan 2021-26 themes and priorities. To help ensure that these risks are identified and captured as part of the Corporate Risk Register the presentation of the Corporate Risks will be considered.
- 3.4 An updated Corporate Risk Register will be presented at the next committee meeting.
- 3.5 The regular monitoring of Corporate Risks is undertaken via a variety of ways:
- Strategic Leadership Team, on a six-monthly basis, undertake a deep dive review and consider whether the Corporate Risks are still relevant, the scoring is appropriate, and the mitigations are robust.
 - Chief Executive & Section 151 Officer hold bi-monthly performance sessions with individual Directors to discuss the relationship with Corporate and Directorate Risks and to review at a directorate level whether the risks are relevant, and mitigations have been correctly identified.
 - Monthly Operational Performance Board meetings include a review of Directorate Risks in summary with the Corporate Management Team to ensure the directorate risk registers are being monitored effectively and are being reviewed frequently.

- Directorate Management Teams for each Directorate, as part of their regular monthly performance monitoring will consider risks in detail and make recommendations to SLT as to whether directorate risks need to be escalated to the CRR. Formal quarterly reporting of Directorate Risk Registers.
- Chief Internal Auditor holds meetings with Directors to discuss the Corporate Risks and aligned Internal Audit Plan work throughout the year identifying key areas of change as well as new and emerging risks.

ARMC Risk Sub-Group

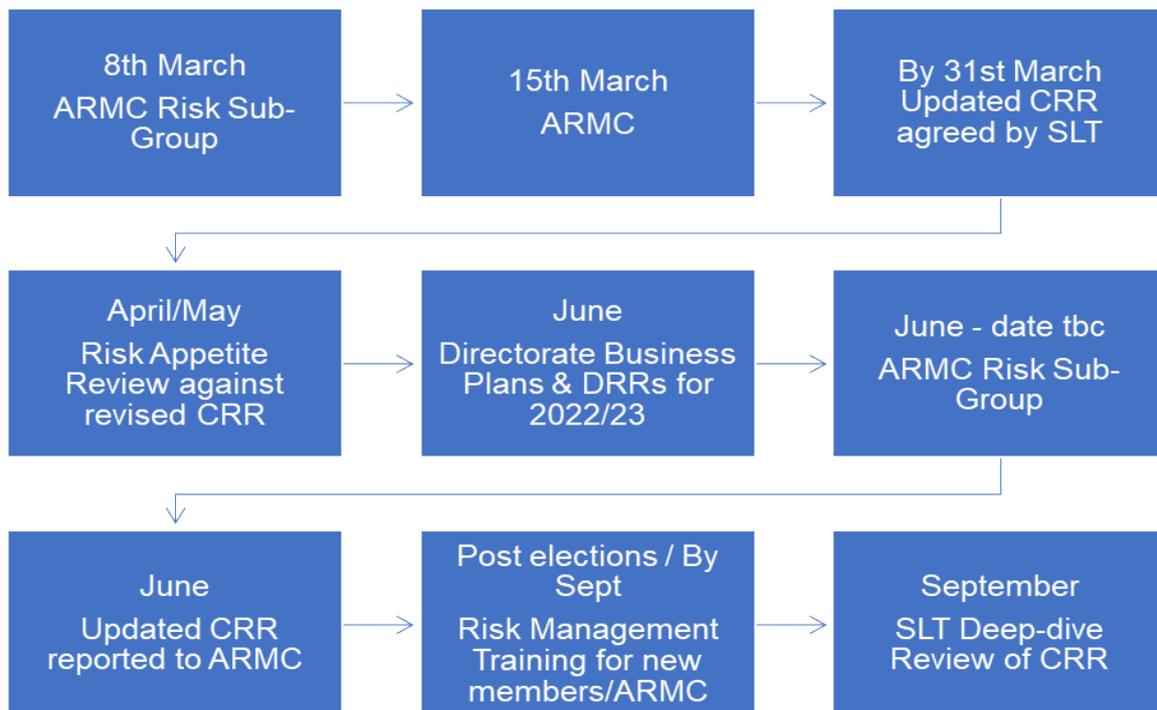
3.6 The next meeting of the group is due to take place on the 8th of March, rescheduled from February. This meeting will include discussions on some of the evolving outcomes from the SLT session and any issues emerging from the recent risk management training session in January open to all members.

Other Risk Management Activity

3.7 Additional, short term, resource has been made available to support the Risk, Continuity and Compliance Manager carrying out reviews of the Directorate Risk Registers and providing feedback and challenge to the directorates. This is timely as directorate business planning is underway and helping to ensure risk registers are an integral part of business plans. The output of the refreshed Corporate Risk Register will also be considered by directorates to allow for the flow and linkage of risks at all levels.

3.8 Work continues to finalise the approach to capturing the Council’s risk appetite including the role of Members in the developing risk appetite statement. The aim is to link this with the revisions to the Corporate Risk Register.

3.9 The timeline below shows several of the key stages and areas of work in 2022:



4.0 FINANCIAL IMPLICATIONS

- 4.1 There are no immediate financial implications arising directly from this report however, failure to manage the Council's risks effectively could lead to further risk to the Council's financial resilience.

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 18 – 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.

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

11.0 COMMUNITY WEALTH IMPLICATIONS

11.1 The content and/or recommendations contained within this report have no direct implications for community wealth. However, the development of effective corporate risk management arrangements will assist in ensuring that the Council, its finances, and service provision are effectively managed and governed aiding the advancement of economic, social, and environmental justice for all residents.

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APPENDICES

None

BACKGROUND PAPERS

Risk Management Policy
Corporate Risk Register

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Audit & Risk Management Committee	
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 Register Update	16th November 2020
Corporate Risk Management Update	25th January 2021
Corporate Risk Management Update	9th March 2021
Corporate Risk Management Update	5 th July 2021
Corporate Risk Management Update	27 th September 2021
Corporate Risk Management Update	30 th November 2021
Corporate Risk Management Update	24 th January 2022