

## RISK MANAGEMENT UPDATE

### Executive Summary

At its meeting on 21 November 2022, the Overview and Scrutiny Committee received a report on Risk Management arrangements, a copy of which is attached. The Committee considered the report under its remit for pre-decision scrutiny and discussed the corporate approach to the management of risk, as well as reviewing the Strategic Risk Register which reflects the key risks currently facing the Council. The draft minute from the meeting is set out below, together with the recommendation of the Committee.

The Executive is now invited to consider the attached report and the recommendation of the Overview and Scrutiny Committee. An Officer comment has been included in this report in respect of the Committee's recommendation.

#### Draft Minute – Overview and Scrutiny Committee – 21 November 2022

Kevin Foster, Strategic Director for Corporate Resources, presented the report on Risk Management that was due to go before the Executive on 19 January 2023.

A review of how the Council handled risk management had elicited several recommendations. One of the recommendations had been to provide Members with training on risk management.

The Council had committed to making its Strategic Risk Register public, which had been included at appendix two of the Item.

Members recommended several changes to the Risk Register: the inclusion of how risks change between editions; the removal of acronyms or inclusion of a glossary of terms, for the benefit of residents; implicit in several other risks, energy costs and inflation be more overtly displayed; and risk of not meeting the Council's 2030 Carbon Neutral target. Officers undertook to consider the recommendations.

It was emphasised that the register contained risks to the Council rather than issues experienced by the Council. The Medium Term Financial Strategy had been developed in recognition of the Risk Register.

Each directorate operated its own Risk Register and items were considered for inclusion on the Council's Strategic Risk register if the corresponding Strategic Director considered that the risk required input at a corporate level.

### **RECOMMENDED TO THE EXECUTIVE**

**That the Strategic Risk Register reflects the key risks currently facing the Council and that measures to mitigate each risk have been recorded and are being actioned by officers.**

#### Officer Comment

Officers have considered the Overview and Scrutiny Committee's suggestions and it is proposed that these are incorporated into existing procedures through the following approach:

- 1) A direction of travel arrow will be applied to each risk to visually demonstrate if the risk rating after mitigation has improved, worsened, or stayed the same.

- 2) All acronyms will be removed from the content of the Strategic Risk Register.
- 3) Risk items, such as energy costs, inflation, and the risk of not meeting the Council's 2030 Carbon Neutral target will be mapped as appropriate and added to the relevant Directorate Risk Register. The existing Risk Management Policy facilitates a process through which all Directorate Risks are formally assessed and can be escalated to the Strategic Risk Register as part of 3 monthly review cycle conducted by CLT. This will ensure that strategic risks are regularly assessed and managed at the appropriate level within the Council.
- 4) Changes to the Strategic Risk Register will be incorporated into the next 3 monthly review cycle in the first quarter of 2023 (January- March 2023).

### Recommendations

The Executive is requested to:

#### **RESOLVE That**

the Strategic Risk Register reflects the key risks currently facing the Council and that measures to mitigate each risk have been recorded and are being actioned by officers.

### Reasons for Decision

Reason: To provide an update in relation to Risk Management arrangements and to provide assurance that the Strategic Risk Register reflects the key risks currently facing the Council.

The Executive has the authority to determine the recommendation(s) set out above.

<b>Background Papers:</b>	None.
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