AUDIT COMMITTEE

27 MAY 2021

REPORT OF ASSISTANT DIRECTOR (FINANCE & IT)

A.2 **CORPORATE RISK UPDATE**
(Report prepared by Clare Lewis)

PART 1 – KEY INFORMATION

PURPOSE OF THE REPORT
To present to the Audit Committee the updated Corporate Risk Register.

EXECUTIVE SUMMARY
• The Corporate Risk Register is normally updated and presented to the Audit Committee every 6 months. The report was last presented in October 2020.   • The following table summarises the position at the end of the period under review with updated information provided within the register where necessary:

Item	Number
New Risks Identified	0
Risks Removed	0
Risk Score Amended	0
Risks Under Review	0
Risks Amended	15

RECOMMENDATION(S)
That the Audit Committee notes the updates provided to the current Corporate Risk Register.

PART 2 – IMPLICATIONS OF THE DECISION

DELIVERING PRIORITIES
Risk assessment, monitoring and control forms the central tool for managing the strategic risks that may prevent the Council from achieving the corporate priorities as identified in the Corporate Plan and associated corporate goals.

FINANCE, OTHER RESOURCES AND RISK
Finance and other resources   The risk management approach can be delivered within existing budgets.   **Risk**   The subject of risk and its management by the Council is set out in the main body of this report.

LEGAL
There are no specific legal implications.

OTHER IMPLICATIONS
Consideration has been given to the implications of the proposed decision in respect of the following and any significant issues are set out below. **Crime and Disorder / Equality and Diversity / Health Inequalities / Area or Ward affected / Consultation/Public Engagement.** There are no other direct implications.

PART 3 – SUPPORTING INFORMATION

BACKGROUND
The Corporate Risk Register was last presented to the Committee in October 2020. The Terms of Reference for the Audit Committee include a responsibility to provide independent assurance of the adequacy of the risk management framework and the associated control environment. The Corporate Risk Register is where possible brought to the Committee at six monthly intervals to enable the Committee to fulfil its role.

CURRENT POSITION
Corporate Risk Management Framework Although no changes have been identified as being required at this time, the framework is included at **Appendix A** for information only. A review of the framework will be undertaken in 2021. The risk register has been updated within the context of the usual and underlying risks that are included in the register. However, it is recognised that the unprecedented events experienced in the last year in respect of the COVID 19 pandemic will have a major on-going impact on the Council and likely cut across many of the risks currently included within the register. Given the on-going and 'live' nature of the current COVID pandemic, it continues to be difficult to fully revise the register at this point in time to reflect what is deemed to be the 'new normal'. However, the council continues to review the underlying risks associated with COVID 19 across all of its services, ensuring that it can continue to effectively maintain, operate and deliver its operations and services. Timely and effective responses have been made in key risk areas such as IT and network resilience, communication and management of information, cyber security, anti-fraud and corruption, health and safety along with business continuity / ability to effective deliver services. The council continues to review the underlying risks associated with COVID 19 across all of its services, ensuring that it continues to maintain, operate and deliver its operations and services. Services will continue to reopen in the coming months and any associated risk relating to this will be carried out in a COVID secure way to ensure staff and customer safety. A review of lessons learnt relating to COVID 19 is currently being undertaken and will be brought before the Audit Committee at a later meeting. The below table sets out all amendments to the Risk Register since it was last considered

by the Committee in October 2020.

Risk Register Item	Amendments / Comments
New Risks Identified	None
Risks Removed	None
Risk Scores Amended	None
Risk under review	None
Risks Amended	The following items have subject to minor amendments within the 'current action status / control strategy' sections to reflect the most up to date position. Item 1b - Catastrophic IT network failure Item 1c - Ineffective communication / management of information Item 1d - Ineffective Cyber Security Physical and Application (software) Based Protection Management Item 2a - Coastal Defence Item 2c - Building Council Homes Item 2d - Ineffective delivery of Transforming Tendring project Item 2f - Garden Communities Item 3d - Fraud and Corruption. Item 4a - Loss of Key Staff Item 6a – Loss of sensitive and/or personal data through malicious actions loss theft and/or hacking Item 7a - Local Plan Item 8a – Failure to collect levels of income required from Council Tax Item 8b - Failure to collect levels of income required from Non Domestic Rates Item 9a - Ineffective Emergency Planning

	Item 9b – Ineffective Business Continuity Planning

The Fraud and Risk Team continue to oversee the Councils' Risk Management arrangements supported by the councils Internal Audit Team. The table sets out the work currently being undertaken.

Agreed Action	Current Position
Management Team to promote the importance of operational risk management within the organisation and ensure that Senior Managers implement a process for identifying and mitigating risks in coordination with the Corporate Fraud and Risk Manager.	The Corporate Fraud and Risk Manager continues to attend Management Team meetings on a quarterly basis and provide monthly updates for any urgent matters identified. The Fraud and Risk Manager continues to work with Management Team to effectively promote the importance of operational risk management within the Council
One to one meetings will continue to take place between Senior Managers and the Corporate Fraud and Risk Manager to identify and record key operational risks within their service areas. Support to be provided by Internal Audit if required	This is unfortunately delayed due to the Corporate Fraud and Risk Manager being redeployed to other tasks during the past 12 months. This review will continue into 2021.

Follow up item

Arrange Risk Management training for all departments across the council	The council has identified a need for managers to have some Risk Management training to ensure the council can move forward with verifying risk register actions and review departmental risks across all departments. This will also allow the Fraud and Risk Manager to review the councils Risk Management Framework.
Review carried out relating to the effectiveness of the current control measures in place to identify inherent risk.	Details of this report will be brought before the Audit Committee at a later meeting.

BACKGROUND PAPERS FOR THE DECISION
None

APPENDICES
Appendix A – Risk Management Framework **Appendix B** – Corporate Risk Register