

**WELWYN HATFIELD BOROUGH COUNCIL
AUDIT COMMITTEE – JANUARY 2021
REPORT OF THE CORPORATE DIRECTOR (PUBLIC PROTECTION, PLANNING AND
GOVERNANCE)**

RISK MANAGEMENT

1 Executive Summary

1.1 This report brings to Members' attention the current strategic risks facing the Council, as determined by Corporate Management Team. These risks have been reviewed at the performance clinic in November 2020 and reflect the assessments in place for the quarter October 2020 to January 2021. These risks have been checked subsequent to the performance clinic to ensure that risk commentaries are up to date and Members have the latest possible information. The strategic risks and top operational risks have also been available on the Member Information Hub to facilitate scrutiny.

2 Recommendation

2.1 Members are asked to:

- Note the attached current Strategic Risk Register;
- Note comments in respect of each risk where shown.

3 Explanation

3.1 Appendix A shows the strategic risk register. Each strategic risk has ownership by a Corporate Director and an Executive Member. The risk scoring table is as follows and shows the new impact² x likelihood methodology:

	25	50	75	100	125
	16	32	48	64	80
	9	18	27	36	45
	4	8	12	16	20
	1	2	3	4	5

3.2 In October 2020 a revised reporting mechanism was agreed for risks. The existing procedure could lead to a significant delaying reporting risks through CMT, Cabinet and ultimately to Audit Committee. The new procedure improves the efficiency of the procedure by making use of the Member Information Hub at an early stage to enable scrutiny by

Members, then a review of risks before they go to Audit Committee. This will compress the timescale significantly, improve scrutiny, and also ensure that Members of Audit Committee receive more recently updated risk information, which will support them in their oversight role of internal controls and risk management as ‘those charged with governance’.

4 Legal Implications

- 4.1 The Accounts and Audit Regulations 2015 require that “[a] relevant authority must ensure that it has a sound system of internal control which [among other matters] includes effective arrangements for the management of risk.”

5 Financial Implications

- 5.1 There are none directly arising from this report, though of course any risk event may have its own financial consequences.

6 Risk Management Implications

- 6.1 Failing to maintain adequate and effective arrangements for the management of risk may lead to risk events not being foreseen, an inadequate response to a risk event occurring and a failure to exploit opportunities.

7 Security and Terrorism Implications

- 7.1 None.

8 Procurement Implications

- 8.1 None.

9 Climate Change Implications

- 9.1 None.

10 Human Resources Implication(s)

- 10.1 None.

11 Health and Wellbeing Implications

- 10.1 None.

12 Communication and Engagement Implications

- 12.1 None.

13 Link to Corporate Priorities

- 13.1 The subject of this report supports all council priorities in that the effective management of risk is essential to the achievement of objectives.

14 Equality and Diversity

- 14.1 An Equality Impact Assessment (EIA) has not been carried out in connection with the proposals that are set out in this report as it relates purely to monitoring information.

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Appendices:

Appendix A – Strategic Risk Register

Appendix B – Operational Risk Register