

Part I

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WELWYN HATFIELD BOROUGH COUNCIL
AUDIT COMMITTEE – 30 JANUARY 2023
REPORT OF THE EXECUTIVE DIRECTOR (FINANCE & TRANSFORMATION)

RISK MANAGEMENT UPDATE

1 Executive Summary

- 1.1 This report brings to Members' attention the current strategic risks facing the Council, as determined by Strategic Leadership Team and the operational risks (with a score of over 50).
- 1.2 These risks have been reviewed at the performance clinic in January 2023 and reflect the assessments of risk as at 31 December 2022.
- 1.3 Narrative of risks will provide updates on the risk environment, against activities over the previous quarter (October to December 2023), or against upcoming activities as appropriate.

2 Recommendation

- 2.1 Members are asked to:
- Note the attached current Risk Management Update;
 - Note comments and actions in respect of the strategic and top operational risks.

3 Explanation

- 3.1 Appendix A shows the strategic risk register. Each strategic risk has ownership by a Corporate Director and an Executive Member. A summary of the assessed strategic risks is below:

Risk Level	Green	Yellow	Amber	Red	Total
Number	0	1	14	2	17

- 3.2 Appendix B shows the top risks which have a score of over 50, from the operational risk register. There are 4 risks currently assessed at this level.

3.3 The risk scoring table is as follows and shows the impact² x likelihood methodology we now work to:

Impact ↑	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
	Likelihood →				

3.4 A new risk policy, strategy and framework is currently making its way through the committee review and approval process, after which the risk register will be updated, in time for the new municipal year.

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 There are none directly arising from this report, though of course any risk event may have security and terrorism implications.

8 Procurement Implications

8.1 There are none directly arising from this report, though of course any risk event may have procurement implications.

9 Climate Change Implications

9.1 There are none directly arising from this report, though of course any risk event may have climate change implications.

10 Health and Wellbeing Implications

10.1 There are none directly arising from this report, though of course any risk event may have health and safety implications.

11 Communication and Engagement Implications

11.1 There are none directly arising from this report, though of course any risk event may have communication and engagement implications.

12 Link to Corporate Priorities

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

13 Equality and Diversity

13.1 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 – All Risks

Appendix B – Operational Risk Register – Top Risks (50+ score)