Audit Committee

22 March 2018

Title	Corporate Risk Management		
Purpose of the report	To note		
Report Author	Internal Audit Manager, Punita Talwar		
Cabinet Member	Councillor Howard Williams	**Confidential**	No
Corporate Priority	Financial Sustainability		
Recommendations	**The Audit Committee is asked to note the report and recommend the Corporate Risk Register to Cabinet for approval.**		
Reason for Recommendation	**Cabinet has oversight of the Council's management of risk.**		

1. Key issues

1.1 The Corporate Risk Register ensures key risks are identified, managed and monitored. The register highlights the direction of travel in implementing risk mitigating actions and the narrative in the 'Progress' column supports this as well as providing further detail on the status of actions. There are several areas where positive progress has been made. Management Team has reviewed the Corporate Risk Register (**Appendix 1**).

1.2 There are a number of significant issues to report as follows:

(a) **Information Governance (7a – Organisational Measures)** – The Information Governance Officer has produced a detailed work plan setting out Spelthorne's approach to the General Data Protection Regulation (GDPR) and a progress report has been submitted to Management Team on 27.2.18. An Information Governance area is now available on Spelnet. Member overview training on GDPR was delivered immediately before Council on 22nd February. Staff training continues supplemented by external training. There is still considerable work to be done in services including full mapping of information flows.

(b) **Business Continuity Planning (9)** - Two new actions have been added to the register as highlighted by Management Team. These relate to undertaking a fire evacuation procedure combined with a scenario where re-entering the building is not possible. Secondly, bomb

awareness procedures require updating as they have not been reviewed since 2012.

(c) **Code of Corporate Governance (13)** – This code is important to promote high standards of conduct and behaviour. An updated code has been prepared by the Head of Corporate Governance and Committee Manager, due to be reported to Overview and Scrutiny and Cabinet in March.

(d) **Procurement (14a) –** The appointment of the new Procurement Officer is helping to move actions forward. Enhanced monitoring arrangements for the authority's key suppliers is being implemented. Governance arrangements are being strengthened as the revised Procurement Strategy and Action Plan are being reported to Members in March. The Group Head for Commissioning and Transformation will be also be providing an update to the March Audit Committee.

(e) **Housing (15)** - A high level internal audit review is currently underway considering the authority's readiness for the homelessness legislative changes (Homelessness Reduction Act due to take effect from April 2018). Given that this is a flagship project with full implementation due imminently, Internal Audit are engaging in relevant discussions. Management Team to continue to monitor this statutory change.

(f) **Business Rates Income (17) -** Spelthorne will be participating in the 100% retention of business rates pilot for 2018/19 providing further incentive to maximise income collection and retention.

(g) **Acquisitions and Investments (20)** – A robust governance framework continues to be developed to support all property acquisitions and investment processes with various policies, strategies action plans and reporting mechanisms in place. The Council's approach to the management of risk in this area has been presented and communicated to stakeholders. In light of the Council's ongoing commercial asset acquisitions and investments, effective systems need to be in place to record, recover and monitor significant rental income due to Spelthorne. The Group Head for Regeneration and Growth has organised Process Mapping workshops and in view of the corporate debt team's role, the resourcing situation within Customer Services will need to be kept under regular review. An Investment and Development Property Committee is now meeting regularly on which the Leader and Finance Portfolio Holder sit, which reviews performance and evaluates proposals before they are presented to Cabinet for consideration.

2. Options analysis and proposal

Either:

i. To note and accept the contents of the Corporate Risk Register. The revised register is considered to be an accurate reflection of the high level risks affecting the Authority, as well as the progress made on actions previously proposed, based on our assessment of risk and

controls in operation. (Preferred option)

Or:

ii. To recommend amendments to the Corporate Risk Register for consideration by the Corporate Risk Management Group.

3. Financial implications

3.1 Resources required (staff time) to implement actions proposed in the Corporate Risk Register should be contained within existing budgets as far as possible. There may however be some areas where additional resource /time/management support is required in order to implement risk mitigating actions.

4. Other considerations

The Corporate Risk Register covers a wide range of risks and associated consequences including failure to deliver corporate objectives, failure in service delivery, financial losses, poor value for money, health and safety incidents, legal challenges and reputational damage. The three most significant risks identified as part of this review include Information Governance (GDPR readiness), Homelessness Reduction legislation (preparedness) and commercial asset acquisitions and investments. Management Team may therefore need to assess if these areas are being adequately managed or require further resource/time and support.

5. Timetable for implementation

5.1 The Corporate Risk Register shows officers responsible for progressing actions, together with target timescales for implementation. The register is reviewed and updated three times a year by the Internal Audit Manager.

Background papers: There are none.

Appendices: Appendix 1 – Corporate Risk Register