

Audit Committee

24 March 2016



Title	Corporate Risk Management		
Purpose of the report	To note		
Report Author	Internal Audit Manager, Punita Talwar		
Cabinet Member	Councillor Tim Evans	Confidential	No
Corporate Priority	Value for money Council		
Cabinet Values	Accountability		
Recommendations	That the committee notes the report.		

1. Key issues

1.1 The Corporate Risk Register ensures key risks are identified, managed and monitored. Management Team has reviewed the Corporate Risk Register (**Appendix 1**).

1.2 Significant issues to report are:

- (a) **Corporate Health and Safety**- In a recent Internal Audit review of Health and Safety arrangements across the authority, it was evident that due to resourcing limitations a robust system of inspections has not been implemented by Managers across the Authority. This increases the risk of serious injury or even fatality, subsequent insurance claims and pay-outs, thereby exposing the Authority to reputational damage. Whilst the absence of Inspections in certain areas and the associated risks have been accepted by Management Team, this risk should be subject to periodical review.
- (b) **Business Continuity and Emergency Planning** – The Corporate Emergency Plan was updated in January 2016 and the multi- agency flood plan completed in December 2015. Applied resilience have facilitated Services in updating their business impact assessments which will feed into revised business continuity plans. The Head of Sustainability and Leisure meets monthly with Applied Resilience to monitor delivery of expected outcomes for Business Continuity and Emergency Planning.
- (c) The Council's **Corporate Plan** and priorities have been reviewed as a result of the new Council. The impact on ongoing projects, resources and Service Planning for 2016/17 will need to be assessed.
- (d) **Delivery of the 'Towards a Sustainable Future' (TaSF) and providing financial resilience for the authority** – There has been a

small decrease in the number of TaSF projects with a green RAG rating mainly arising from external factors causing delays. Due to the significant delay in finalising the organisational review and senior Management restructure, there is an ongoing risk of low staff morale and increased turnover during current times of uncertainty which MAT acknowledge. The recruitment and selection process for the Group Head Positions is however planned to take place shortly.

- (e) **Information Governance** – The Information Governance Group meet quarterly to discuss the necessary steps to be taken to address outstanding actions. MAT are supportive of appointing additional resource (Information Governance Officer) to address the action plan.
- (f) **Failure in Service Delivery**- There are prolonged vacancies in a number of areas despite incentives offered, in particular Housing, Environmental Health and Customer Services. This effects the ability to deliver a good quality Service as well as having a consequential negative effect on other Services. There are current proposals to target students and university graduates for certain roles and further consideration is being given to where posts are advertised. Human Resources may wish to monitor the effectiveness of these proposed changes in collaboration with Services, and it is acknowledged that they are already liaising with other authorities regarding their recruitment and retention policies, with a view to sharing best practice.
- (g) **Housing** – There are continued pressures on the Housing Service as a result of many factors, e.g. London Boroughs increased use of Spelthorne properties, limitations of the Local Housing Allowance, and A2D rents unaffordable, insufficient affordable properties being built and the Benefit Cap. A model for the strategic way forward in delivering the Housing function has been drafted and is to be formally agreed.
- (h) **Safeguarding** – Following discussions with relevant officers, a number of issues were highlighted and actions are being progressed as follows:
 - i. The Leisure Services Manager is reviewing changes required to the Children's Safeguarding policy, particularly with regards to child sexual exploitation.
 - ii. Further liaison with Surrey County Council is necessary in order to strengthen the feedback process relating to children's referrals.
 - iii. A standard policy and process for Safeguarding Adults is to apply across districts and boroughs. It would be timely for staff training needs to be assessed with revised policies/processes publicised in due course.
 - iv. To seek clarification over responsibility for dealing with safeguarding issues where there have been cross border referrals (families located out of Surrey).
- (i) **Debt Recovery**- Recovery arrangements for significant debts/other income streams and amounts outstanding continue to be periodically monitored through the Corporate Debt group. A Consultant has been appointed to coach and train staff responsible for debt recovery with a view to improving their skills and enhancing recovery rates.
- (j) **Corporate Fraud** - As at 31st December 2015 the cumulative payback/return in tackling non-benefit fraud equates to £394k. This is well in excess of the original £60K DCLG fraud funding allocated to Spelthorne. In view of this positive return, it was agreed at the Corporate Fraud Overview meeting in January that the Internal Audit Manager

would lead in preparing a business case for a Corporate Fraud function/resource at Spelthorne. Refresher Fraud training (to incorporate anti-bribery and corruption) for staff and Members is also to be arranged in due course.

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.

4. Other considerations

- 4.1 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.

5. Timetable for implementation

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

Background papers: There are none.

Appendices: Appendix 1 – Corporate Risk Register