

Audit Committee

29 September 2016



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	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) **Business Continuity and Emergency Planning** – Service-Level plans are in progress and a corporate business continuity exercise is scheduled in September. The Group Head for Commissioning and Transformation meets regularly with Applied Resilience to consider satisfactory delivery of programmes, and monitoring processes have been tightened recently to assess actual performance against specific targets and expected outcomes.
 - (b) **Failure in Service Delivery**- There continues to be prolonged staff vacancies in a number of areas despite incentives offered, in particular Housing, Environmental Health, Building Control and Planning. This effects the ability to deliver a good quality Service as well as having a consequential negative effect on other Services. Management Team have commissioned a report on areas under specific pressure and recommendations as to options, with results being reported to MAT in September.
 - (c) **New Appointments** - Human Resources will be arranging staff development and training plans for the newly appointed Group Heads and Deputy Group Heads. Bespoke training is due to be commissioned as well as promotion of existing Management Development Programmes.
 - (d) **Code of Corporate Governance** – Review of this code is outstanding. This is important to promote high standards of conduct and behaviour.

- (e) **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. (Awaiting update)
- (f) **Procurement - Leisure Centre Contract** – Procurement - Leisure Centre Contract – As the current Leisure Centre contract ceases in 2021, options for Leisure Centre provision from 2021 need to be reviewed. Work has been undertaken on a high level concept for refurbishment or relocation of the Leisure Centre using Willmott Dixon. Due to the senior management restructure a new Project Manager has now been appointed to take this forward and a discussion paper will be going to Cabinet Briefing in October to get a steer from Cabinet on how they want to take the project forward.
- (g) **Partnership Governance** – A recent Internal Audit review identified actions are required to revitalise the necessary governance arrangements and associated controls. In particular the policy requires updating and significant partnerships should be recorded centrally.

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

- 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. The two most significant risks identified as part of this review include 1.2 (b) failure in service delivery due to prolonged staff vacancies; 1.2 (f) unsatisfactory delivery of outcomes for the post 2021 Leisure Centre contract .Management Team may therefore need to assess if these areas require further resource/time and support.

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