

**SUPPLEMENTARY DOCUMENTS FOR
AUDIT & STANDARDS COMMITTEE
Wednesday 27 November 2019 at 7.30 pm
Council Chamber - Civic Centre**

The attached documents are due to be considered at the meeting listed above and were unavailable for circulation when the agenda for the meeting was published. The agenda item to which the documents relate is noted below.

AGENDA

10. Risk Management Progress Report (Pages 2 - 5)

REPORT TO: **AUDIT AND STANDARDS COMMITTEE**

DATE: **27 NOVEMBER 2019**

TITLE: **RISK MANAGEMENT REPORT**

LEAD OFFICER: **STUART MOSELEY, INSURANCE AND RISK
MANAGER (01279) 446215**

RECOMMENDED that:

A The Committee reviews the Corporate Risk Register as set out in the report.

BACKGROUND

1. The Audit and Standards Committee's terms of reference includes the responsibility to monitor the effective development and operation of risk management within the Council.
2. The Council's Risk Management Strategy agreed by the Committee in November 2018 states that the responsibility of the Audit and Standards Committee is to:
 - i) Monitor the effective development and operation of risk management in the Council.
 - ii) Understand, scrutinise and endorse the Council's risk management strategy and monitor the Council's risk appetite.

ISSUES/PROPOSALS

Corporate Risk Register

3. To facilitate understanding of the Council's key risks, the Corporate Risk Register is reported to the Audit and Standards Committee for scrutiny and challenge.
4. The Corporate Risk Register is reviewed on a quarterly basis by the Senior Management Board (SMB). Any cross-cutting or strategic risks contained in the Service Plan will also be monitored.

Summary of Key Risks

5. Corporate risks scoring 18 or higher are reported to SMB and are identified in the Corporate Risk Register as set out in Appendix A to the report.
6. Risks scoring 20 or higher will be reported to Cabinet as part of the regular Joint Finance and Performance Report (JFPR). As at 30 September 2019, there were no risks falling into this category.

IMPLICATIONS

Environment and Planning (Includes Sustainability)

None specific.

Author: Andrew Bramidge, Head of Environment and Planning

Finance (Includes ICT and Property & Facilities)

None specific.

Author: Simon Freeman, Head of Finance and Deputy to the Chief Executive

Housing

None specific.

Author: Andrew Murray, Head of Housing

Community Wellbeing (Includes Equalities and Social Inclusion)

None specific.

Author: Jane Greer, Head of Community Wellbeing

Governance (Includes HR)

Risk Management is an important part of the council's overall governance Arrangements, therefore the Audit and Standards Committee should consider the adequacy of overall arrangements on a regular basis.

Author: Simon Hill, Head of Governance

Appendices

Appendix A – Strategic Risks with Residual Score between 18 and 25

Glossary of terms/abbreviations used

SMB – Senior Management Board

Appendix A - Strategic Risks with Residual Risk Score between 18 and 25

Inherent Likelihood	Inherent Impact	Residual Likelihood	Residual Impact	Residual Risk Score	Residual Risk Indicator	DoT	Foreseeable Likelihood	Foreseeable Impact	Foreseeable Risk Score
CR01 - Financial resilience									
Risk Owner : Freeman, Simon									
Last Reviewed : 30/09/2019									
IF : If a sustainable budget is not secured									
THEN : Then the Council will lack financial resilience									
BACKGROUND : The Government's fiscal policy in respect of deficit reduction reducing public sector funding combined with the Council's limited ability to raise income could result in the Council's financial resilience being at risk. In addition uncertainty exists in respect of the Government's plans for local government funding reform and business rates retention.									
Likely (4)	Major (4)	Moderate (3)	Major (4)	18		➡	Moderate (3)	Moderate (3)	13
CONTROLS ALREADY IN PLACE : Development of the Council's MTFs and the detailed planning of future budgets is now undertaken early in the financial year and is an on-going process rather than an annual review and is linked with the monthly Budget Monitoring process. The council has approved a three year MTFP which reflects that there are very small projected budget gaps over the period 2019/20 – 2021/22 subject to the outcomes of the anticipated Government funding review.									
ADDITIONAL ACTIONS TO MITIGATE RISK : Whilst the pressures generated in the Council's grant income are largely driven by Government policy the financial situation continues to be monitored at a high frequency. The Administration will continue to be provided with detailed financial information and will be appropriately supported in reaching decisions upon how these financial challenges can be faced.									
CR02 - The Harlow Offer									
Risk Owner : Greer, Jane									
Last Reviewed : 30/09/2019									
IF : If the Harlow Offer is poor									
THEN : Then the town will fail to attract new or retain current businesses									
BACKGROUND : A lack of private sector investment and/or disinvestment by retailers and landowners in the Town Centre could lead to a further decline in its attractiveness as a shopping and leisure destination. The Harlow Offer is key to retaining and attracting new investment in to the town									
Likely (4)	Major (4)	Moderate (3)	Major (4)	18		➡	Moderate (3)	Moderate (3)	13
CONTROLS ALREADY IN PLACE : Infrastructure plan (incl M11/J7A). Town centre improvements. Housing mix. Enterprise Zone delivery lead. Economic Development Strategy. Project to promote the Harlow opportunity commenced late 2017.									
ADDITIONAL ACTIONS TO MITIGATE RISK : Continued work with ECC to deliver road and transport infrastructure improvements. Develop forward plan for improving transport infrastructure in Harlow. Take forward EZ skills plan to support development of a skilled workforce. Town Centre public realm improvements.									
CR05 - Inability to fulfill Community Leadership role									
Risk Owner : Greer, Jane									
Last Reviewed : 30/09/2019									
IF : If the Council is unable to fulfil its community leadership role									
THEN : Then partnering and strategic opportunities may be lost, impacting on strategic plans and the future of discretionary services									
BACKGROUND : Discretionary services are dependent upon the Council's community leadership role which relies to some extent on co-production and co-operation of other agencies and organisations									
Moderate (3)	Major (4)	Moderate (3)	Major (4)	18		➡	Unlikely (2)	Moderate (3)	9
CONTROLS ALREADY IN PLACE : Health and Wellbeing Strategy, Safer Harlow Partnership, Regeneration Strategy									
ADDITIONAL ACTIONS TO MITIGATE RISK : Crime and anti-social behaviour partnerships. Communications Plan (e.g. to tackle perceptions). Review of financial sustainability and									

Inherent Likelihood	Inherent Impact	Residual Likelihood	Residual Impact	Residual Risk Score	Residual Risk Indicator	DoT	Foreseeable Likelihood	Foreseeable Impact	Foreseeable Risk Score
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delivery models of discretionary services. Mental Health Strategy.

CR08 - Information Governance and Data Compliance

Risk Owner : Hill, Simon

Last Reviewed : 30/09/2019

IF : If the Council does not adopt a holistic response to data and information governance

THEN : Then it may be unable to demonstrate statutory compliance for data and information governance

BACKGROUND : The Council has developed an Information Governance Framework which will ensure information is dealt with efficiently, effectively and lawfully. The framework will allow oversight of policies and procedures required for compliance with GDPR/Data Protection legislation, Freedom of Information Act (FOIA) and Environmental Information Regulations (EIR) regimes and the anticipated Electronic Data Protection Regulations (EDPR). An implementation action plan has also been devised which will embed the framework and ensure regular monitoring.

Almost Certain (5)	Major (4)	Moderate (3)	Major (4)	18			Moderate (3)	Major (4)	18
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CONTROLS ALREADY IN PLACE : Corporate FOI and EIR policies are effective. The GDPR officer working group completed policy reviews, staff and Member training and continues to advise on compliance. The Data Protection Officer oversees compliance and reports serious breaches while sharing good practice and learning points and will continue to embed best practice. Permanent Data Protection Officer appointed. Information Governance Group overseeing framework action plans.

ADDITIONAL ACTIONS TO MITIGATE RISK : Information Governance Group convened terms of reference and reporting mechanisms including a rolling programme of policy and procedure reviews for data processing and sharing. Process for Data Impact Assessments now agreed and implemented. Refresh training – both general awareness for staff generally and specific expert training where appropriate - will be undertaken as part of action plans