

Audit Committee

14 December 2015

Report title	Strategic Risk Register and Strategic Assurance Map	
Cabinet member with lead responsibility	Councillor Andrew Johnson Resources	
Accountable director	Mark Taylor, Finance	
Originating service	Audit	
Accountable employee(s)	Narinder Phagura	Strategic Risk Manager Tel 01902 554580 Email narinder.phagura@wolverhampton.gov.uk
Report has been considered by	Strategic Executive Board	24 November 2015

Recommendations for noting:

The Committee is asked to note:

1. The strategic risk register at Appendix A.
2. The reduction in the assessment of the following risks:
 - Risk 1- Looked after Children
 - Risk 11- Care Act
 - Risk 12- Better Care Fund
 - Risk 19 – Combined Authority
3. The closure of risk 19–Combined Authority, from the strategic risk register. Any residual risks will continue to be managed through the programme risk register.
4. The closure of risk 11-Care Act, subject to agreement by the Programme Board to close the programme and transfer any residual risks to the ‘Transforming Adult Social Care’ programme.
5. The identification of a new risk - risk 19a in relation to the proposed devolution deal.
6. The progress made by the Council in the management of its strategic risk as detailed in para 3.1.
7. The main sources of assurance available to the Council against its strategic risks

1.0 Purpose

- 1.1 To keep members of the Audit Committee aware of the key risks the Council faces, and how it can gain assurance that these risks are being mitigated.

2.0 Background

- 2.1 The Council is no different to any organisation, and will always face risks in achieving its objectives. Sound risk management can be seen as the clear identification and management of such risks to an acceptable level.
- 2.2 The strategic risk register report was last presented to the Committee in September 2015. Since this time we have met with the risk owners in order to review and update the risks and risk management action plans.
- 2.3 The strategic risk register does not include all of the risks that the Council faces. It represents the most significant risks that could potentially impact on the achievement of the corporate priorities. Other risks are captured within operational, programme, project or partnership risk registers in line with the Council's corporate risk management framework and strategy.
- 2.4 A summary of the strategic risk register is included at Appendix A of this report which sets out the status of the risks as at November 2015. These risks are reviewed on an on-going basis and can be influenced by both external and internal factors and as such, may fluctuate over time.
- 2.5 Appendix B provides a summary of the Council's strategic assurance map which follows the three lines of defence model (shown below). The assurance map details where the Committee can gain assurance against the strategic risks. This too is a live document and is updated alongside the monitoring and reviewing of the strategic risk register.

The three lines of defence model:

First line	Second line	Third line
The first level of the control environment is the business operations which perform day to day risk management activity	Oversight functions such as Finance, HR and Risk Management set directions, define policy and provide assurance	Internal and external audit are the third line of defence, offering independent challenge to the levels of assurance provided by business operations and oversight functions

3. Progress, options, discussion

- 3.1 The table below shows the progress made by the Council in managing its strategic risks over the last 12 months.

Risk	Risk Title	Risk Assessment	
		2014	2015
1	Looked after Children	20	15
2	Skills for Work	20	15
3	Information Governance	16	12
4	MTFS	15	15
5	Futureworks	10	1 (closed)
6	PSN Compliance	10	5 (transferred to corporate register)
7	Safeguarding	15	10
8	Business Continuity Management	15	10
9	City Centre Regeneration	8	8
10	Economic Inclusion	16	12
11	Care Act	15	5
12	Better Care Fund	15	10
13	Market Failure of External Services	10	closed
14	School Improvement	15	10
15	Emergency Planning	9	6
16	Equal Pay	12	12
17	Employee Management	8	8
18	Elections	8	1 (closed)
19	Combined Authority	12	3 (closed)

4. Financial implications

- 4.1 There are no financial implications associated with the recommendations in this report as Councillors are only requested to note the strategic risk register summary. Financial implications may arise from the implementation of strategies employed to mitigate individual corporate risks, but these will be evaluated and reported separately if required. [GE/27112015/P]

5. Legal implications

- 5.1 Although there may be some legal implications arising from the implementation of the strategies employed to mitigate individual strategic risks, there are no direct legal implications arising from this report. (RB/01122015/J)

6. Equalities implications

- 6.1 Although there may be equalities implications arising from the implementation of the strategies employed to mitigate individual strategic risks, there are no direct equalities implications arising from this report.

7. Environmental implications

7.1 Although there may be some environmental implications arising from the implementation of the strategies employed to mitigate individual strategic risks, there are no direct environmental implications arising from this report.

8. Human resources implications

8.1 Although there may be some human resource implications arising from the implementation of the strategies employed to mitigate individual strategic risks, there are no direct human resource implications arising from this report.

9. Corporate landlord implications

9.1 There are no corporate landlord implications arising from the recommendations made in this report.

10. Schedule of background papers

10.1 None