

Audit and Risk Assurance Committee

29 July 2021

Subject:	Strategic Risk Register Update Report
Director:	Acting s151 Officer Rebecca Maher
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1 Recommendations







- 1.1 To review and comment on the strategic risks prior to reporting to the Audit and Risk Assurance Committee (ARAC) on 29 July 2021.

2 Reasons for Recommendations

- 2.1 Effective risk management is a key element of good corporate governance, as noted in the council's [Code of Corporate Governance](#), and is essential to the overall performance of the council in meeting its corporate plan objectives. Good risk management will ensure that resources are used efficiently and effectively and that assets and resources are protected against risk in the most efficient way.
- 2.2 The role of the ARAC is to provide assurance to the Council that it has a system of governance, risk management and internal control in place and that the adequacy and effectiveness of these arrangements continue to inform decision making throughout the emergency and recovery period.

3 How does this deliver objectives of the Corporate Plan?



	Best start in life for children and young people
	People live well and age well
	Strong resilient communities
	Quality homes in thriving neighbourhoods
	A strong and inclusive economy
	A connected and accessible Sandwell
	The report details the key strategic risks that need to be managed to ensure that they do not negatively impact on the delivery of the Corporate Plan objectives.

4 Context and Key Issues

- 4.1 This report updates the Committee on the profile of the key risks currently faced by the Council and the actions that have been taken and further actions that may be required to mitigate these risks, since they were last reported in February 2021.
- 4.2 The risk register is a live document and reflects the Council risk profile position at the time of preparing this report in June 2021. However, given the constantly evolving nature of the pandemic and fluidity of central government directives and decisions, the risks require ongoing review to ensure they remain appropriate and are correctly assessed in order to aid informed decision making and resource allocation.
- 4.3 The review and update of each strategic risk, has been discussed with the risk owners and reported to the Leadership Team and Cabinet Members.
- 4.4 Following the reporting of the Council's strategic risk register and the Covid-19/ Brexit risk register to the Committee in February 2021, members of the Committee requested that any risks from the latter register be incorporated into the existing strategic or directorate risk registers as appropriate.



4.5 In addition to the above, a full review and refresh of strategic risks has been undertaken by the Leadership team as part of the refreshing of the Corporate Plan that is also underway. As a result of this review, a number of new risks have been identified for inclusion in the risk register, as well as some risks being transferred to directorate risk registers.

4.6 As a result, the following risks have been identified for inclusion in the strategic risk register:

- Special Educational Needs and Disabilities
- Implementation of external audit recommendations
- Towns Fund programme
- New operating model
- Equalities
- Corporate governance

and the risks below are being transferred to directorate registers:

- CONTEST
- School Place Planning
- Supply chain resilience

4.7 A number of separate risks previously included on the strategic risk register have been consolidated into one strategic risk. These relate to future government policies and funding sources.

5 Alternative Options

5.1 Whilst this report does not require a decision and therefore, alternative options do not need to be considered, when measures are being considered for the mitigation of each of the strategic risks, this takes into account any alternative options available.

6 Implications

Resources:	Due to the pandemic, the identification and management of risks may not align to the budget
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	<p>planning that was undertaken for 2021/22. The authority's budget planning process is being reviewed to take account, as far as is practicable, the future impact of the pandemic to ensure that limited resources are appropriately allocated in light of the pandemic, to the reset and recovery plan for Sandwell and any new emerging priorities. However, given the global fluidity of the situation, there is a possibility that the 2022/23 budget once approved, and budgeted staff resource allocation may not either fully align to the identification and management of risk, as new risks could emerge that require prioritisation.</p>
Legal and Governance:	<p>There are numerous standards applicable to the management of risk within the local authority sector. Included amongst these is guidance from CIPFA/Solace, the British Standards Institute (BSI) and a set of joint standards published by the Institute of Risk Management (IRM), Alarm (The public sector risk management association) and AIRMIC (Association of Risk Managers in Industry and Commerce). Evidence that robust management of the authority's strategic risks is being undertaken demonstrates compliance with these standards.</p> <p>The management of COVID related risks will also take into account central government directives and regulatory guidance to ensure these are complied with.</p>
Risk:	<p>The report itself is an update of the key risks facing the Council.</p>
Equality:	<p>As a decision is not being sought in this report, it is not necessary to undertake an Equality Impact Assessment.</p> <p>However, when measures and decisions are being considered for the mitigation of risks, risk owners must take into account any equalities impact and whether an equalities impact assessment is required. The Council recognises that its workforce is instrumental in assisting the organisation in managing the strategic risks noted within this report (as set out in Appendix A) and thereby delivering the Council's priorities. As such, the Council must ensure that</p>



	equalities implications and how they affect the workforce as well as the wider community are considered and underpin all decisions and risk mitigating actions.
Health and Wellbeing:	The management of risks take into account where appropriate, the implications on health and wellbeing of our communities.
Social Value	The actions and decisions that are being considered for the mitigation of the strategic risks, will take into account the meeting of the Council's social value commitments.

7. Appendices

Appendix A – Strategic risk register summary as at June 2021

8. Background Papers

None

