

Report to Audit and Risk Assurance Committee

17 March 2022

Subject:	Strategic Risk Register Update Report
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1 Recommendations

1.1 To note and comment on the strategic risks.







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?

		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 since they were last reported in November 2021.
- 4.2 The risk register is a live document and reflects the Council's risk profile at the time of preparing this report in February 2022. The risks undergo ongoing review to ensure they remain appropriate and are correctly assessed in order to aid informed decision making and resource allocation.
- 4.3 The Strategic risk register does not include all of the risks faced by the Council. Other risks are captured within directorate, programme and project risk registers in line with the Council's risk management framework.
- 4.4 The review and assessment of each strategic risk, has been discussed with the risk owners and discussed with the Leadership Team and Cabinet Members. A summary of the strategic risk register is included at appendix A. The following changes are noted since the last update to the Committee:
- Risks 55 and 59- Implementation of External Review Recommendations and Corporate Governance respectively have been closed and consolidated into a new risk 59a- Improvement Plan- see 4.5 below.
 - Risk 56- Towns Fund Programme- the assessment of this risk has reduced from 12 (red) to 9 (amber) as a result of the work done in developing and progressing the business cases for the 16 projects within the programme.



- Risk 60- Health and Safety- the assessment of this risk has been reduced from 8 (amber) to 4 (green) due to the embedment of the ongoing measures in place to manage this risk.

4.5 In addition to the above, new risks have been identified for inclusion in the risk register as follows:

- Risk 59a- Council's Improvement Plan. This new risk has been included to reflect and consolidate the recent correspondence received by the Council from the Secretary of State from the Department for Levelling Up, Housing and Communities, as well as the findings and recommendations arising from recent reviews including the Grant Thornton – Audit Findings Report 2019/20, Grant Thornton - Value for Money Governance Review 2021, CIPFA Financial Management review and the LGA Peer review.
- Risk 62 – Climate Change
- Risk 63 - Transition of Service from Sandwell Leisure Trust.

4.6 An update on these risks, including the measures in place to mitigate them are included within appendix A.

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:	The authority's budget planning process incorporates financial and other resources required to manage the authority's risks and deliver the priorities within the corporate plan.
Legal and Governance:	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. The management of COVID related risks will also take into account central government directives and regulatory guidance to ensure these are complied with.
Risk:	The report itself is an update of the key risks facing the Council.
Equality:	As a decision is not being sought in this report, it is not necessary to undertake an Equality Impact Assessment. 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 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 risk takes 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 February 2022



8. Background Papers

None

