

Audit and Governance Committee

March 2021 - Risk Management Update

For Decision

Portfolio Holder: Cllr S Flower, Leader of the Council

Executive Director: Jonathan Mair, Corporate Director, Legal & Democratic

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Report Status: Public

Recommendation: That Audit and Governance Committee review the key risks identified in the risk registers.

Reason for Recommendation: To ensure that the Council's risk management methodologies remain current, proportionate, and effective in enabling risk informed decisions to be made.

1. Executive Summary

The continual development and promotion of risk management will ensure that Dorset Council remains well placed to demonstrate that objective and informed decisions are taken. This will help ensure that the Council is ultimately in a strong position to successfully face and address the varied challenges ahead.

Strategic risk management is owned by the Senior Leadership Team, with an agreed risk management policy statement setting out the Council's commitment. Corporate Directors are accountable for the top-level strategic risks. These are informed by operational service level risks owned by Heads of Service and Service Managers.

Previously the committee instructed the Risk and Resilience Officer to look to develop a revised risk scoring matrix and works surrounding the request are ongoing with a draft proposal currently with lead officers for comment. It is intended to adopt the new risk scoring by the next Risk Management update.

The risk register process is still maturing, but as the attachments demonstrate we are generally getting a good buy-in with services, with up-to-date management responses. There are a number of risks that have not been updated, and the Risk and Resilience

Officer will work with these services. As the risk management process matures, owners of service risks are starting to make judgements on the effectiveness of internal controls. Good progress has also been made on following up actions from internal audits, with a SharePoint site sitting alongside the risk register. The Risk and Resilience Officer is currently building a training package to support the Council's approach to risk management.

2. Financial Implications

No budget implications specifically, although unmanaged risks may pose a threat to the Council's financial stability. Identified risk improvement measures may also have direct budget implications, each of which need to be subject to a cost/benefit analysis prior to implementation.

3. Climate implications

"Failure to protect our environment and adapt services and communities to the impacts of a changing climate" is identified as one of the 20 corporate risk themes.

4. Other Implications

None

5. Risk Assessment

Having considered the risks associated with this decision using the Council's approved risk management methodology, the level of risk has been identified as:

Current Risk: HIGH

Residual Risk: HIGH

The risk level is identified as High as Appendix B provides an update on those High-level risks which are currently identified within the Corporate Risk Register

6. Equalities Impact Assessment

Considering equalities issues is a key aspect of good governance, but there are no equalities issues arising directly from this report.

7. Appendices

Appendix A – Summary of Dorset Council corporate and service risks, including the snapshot of risk status scoring matrices.

Appendix B – Adults and Housing High Risks

Appendix C – Childrens High Risks

Appendix D – Corporate Services High Risks

Appendix E – Place High Risks

8. Background Papers

None