

# Audit and Governance Committee

## 13 November 2022

### Risk Management Update

#### For Review and Consultation

**Portfolio Holder:** Cllr S Flower, Leader of the Council

**Executive Director:** J Mair, Corporate Director, Legal & Democratic

Report Author: David Trotter  
Title: Risk and Resilience Officer  
Tel: 01305 228692  
Email: [david.trotter@dorsetcouncil.gov.uk](mailto:david.trotter@dorsetcouncil.gov.uk)

Report Author: Marc Eyre  
Title: Service Manager for Assurance  
Tel: 01305 224358  
Email: [marc.eyre@dorsetcouncil.gov.uk](mailto:marc.eyre@dorsetcouncil.gov.uk)

**Report Status:** Public

**Brief 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. The role of the Audit and Governance Committee is to satisfy itself that risk management arrangements are effective. The detail of the risks is scrutinised by the two Scrutiny Committees.

Appendix A includes the roadmap, which provides a clear view of achievements to date as well as a snapshot of risks across each Directorate. An internal audit has been undertaken by SWAP on the Council's risk management arrangements

This quarterly report also continues to provide an update on emergency planning as requested by the committee, including learnings from the Storm Eunice and Covid Recovery debriefs. A report is scheduled for a future Audit and Governance Committee meeting to focus in more detail on information compliance risks and the role of the Information Governance Board.

**Recommendation:** That Audit and Governance Committee:

- i) note the current snapshot of risks across Directorates;

- ii) note the outcome of the internal audit on risk management;
- iii) note and review the lessons learnt from Storm Eunice; and
- iv) consider the Covid Recovery report and determine whether this should be reported to full Council.

**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. Report

- 1.1 The latest update provides a revised road map and snapshots of the risk positions across each of the Directorates taken from the new risk dashboard. There are ten strategic risk themes informed by operational service level risks owned by Directors, Heads of Service and Service Managers.

Current Risk Themes	
Communities	Political & Leadership
Compliance	Safeguarding
Digital & Technology	Service Delivery
Finance	Transformation
Health, Safety & Wellbeing	Workforce

- 1.2 Councillors can view the full schedule of risks by theme from [this link](#).
- 1.3 During quarter one of 2022/23 South West Audit Partnership carried out a review of the Council's risk management arrangements to provide a snapshot of the maturity of the organisation since 1<sup>st</sup> April 2019. The conclusion assessed the Council's current risk management maturity as 'Aware' ("Scattered silo-based approach to risk management") moving into 'Defined' ("Strategy and policies in place and communicated. Risk appetite defined"). It noted that whilst a framework is in place, it is understood and applied inconsistently in places. The accompanying report identified six Priority 2 actions and six ranked at Priority 3. Completion of these actions are anticipated to move our maturity into the "Managed" category, which is defined as "Enterprise approach to risk management developed and communicated". The Priority Two findings are noted below:
- Post "Shaping Dorset Council" programme, the risk framework has not been shaped by senior officers and councillors;
  - There are inconsistencies in how services rank and apply risk scoring and limited external challenge;
  - The Council's risk appetite has not been reassessed since the "Shaping Dorset Council" programme;

- There is not a systematic approach within all business areas for identifying and considering new risks;
- There is limited evidence of Medium/Low risks being regularly reviewed and updated;
- Not all Directorates have nominated “co-ordinators”.

1.4 The delivery of these improvements largely need to be owned by the service areas. An improvement action plan has been developed by the Assurance Service and progress will be reported to future meetings. This includes moving the risk management function to the Business Intelligence team to provide closer linkage with the performance management framework and utilise the support of business partners.

## 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**

None specifically, however the risk register itself identifies a number of climate related risks.

## 4. **Well-being and Health Implications**

Health, safety, and wellbeing is identified as one of our corporate risk themes.

## 5. **Other Implications**

None

## 6. **Risk Assessment**

Having considered the risks associated with this decision; the level of risk has been identified as:

- Current Risk: HIGH
- Residual Risk: HIGH

The risk level is identified as High as Appendix A provides an update on those High-level risks which are currently identified within the Council’s risk register.

**7. Equalities Impact Assessment**

None specifically, however the risk register itself identifies a number of equality related risks.

**8. Appendices**

Appendix A - Summary of Extreme and High-Level Risks  
Appendix B – Summary update from Emergency Planning

**9. Background Papers**

None