

Title of Report: Corporate Risk Management 2019/20
Quarterly Report to 31 December 2019

Report of: Darren Collins, Strategic Director, Resources and Digital

Purpose of the Report

1. This report updates the Committee on developments in Corporate Risk Management during the period 1 October to 31 December 2019 in compliance with the requirements of good corporate governance.

Background

2. Quarterly reporting to those with the responsibility for the oversight of risk management issues complies with the principles of good corporate governance. It is also embodied in the Corporate Risk Management Policy, last approved by Council on 21 May 2013. This Policy is kept under review, and whilst it has been amended to reflect changes in Senior Officer titles since that time, it remains relevant and fit for purpose.
3. The report covers developments within the Corporate Risk Management function and any other risk management issues emerging within the quarter under consideration.

Risk Management

4. In November 2018 Cabinet and Council approved the revised Strategic Risk Register which had been presented to Audit and Standards Committee on 1 October 2018.
5. The Register has now been adopted and will be monitored and any actions reported quarterly to Audit and Standards Committee with any significant amendments reported to Cabinet.
6. To reflect ALARM/CIPFA best practice, the internal risk management guidance will be updated to require individual risk owners to be recorded on all risk assessments.
7. Work is ongoing to ensure operational risk management activity within services continues to be aligned with service objectives.
8. Service risk coordinators, whose role it is to support and champion risk management activity within their services are working with the Corporate Risk Officer to support risk owners with evaluating existing operational risk assessments. The focus of this work is on ensuring the assessments contain the required information to inform management response.

Business Continuity

9. In accordance with the Council's Business Continuity Policy, all Services are required to assess the impact of their activities being disrupted and to ensure any continuity plans they have developed are cost effective and adequate.
10. As a test of the existing business continuity planning arrangements across the Council, a short questionnaire was developed and circulated to services. The information is currently being analysed and updates will be provided to Group Management Teams by way of a quarterly update or through service risk coordinators who are members on the Corporate Risk and Resilience Group as appropriate.

Benchmarking

11. To enable comparison with other public sector organisations, the Council participated in the 2019 ALARM/CIPFA Risk Management Benchmarking Club.
12. Membership of the club provides access to a performance measurement tool designed to test the organisation's performance against the major risk management standards, expectations of inspection bodies and criteria that inform the risk management element of the Annual Governance Statement.
13. The benchmarking question set is based on ALARM's National Performance Model for Risk Management in Public Services published in 2009. The model breaks down risk management activity into seven strands and aims to provide an in-depth picture of the maturity of risk management within the organisation.
14. Scores of levels 1 to 5 are awarded for each strand to identify the level of maturity that the organisation has reached with level 5 being the highest possible score. The categories are as follows:
 - 1 Awareness
 - 2 Happening
 - 3 Working
 - 4 Embedded and Integrated
 - 5 Driving
15. The benchmarking results for Gateshead over the seven strands are as follows:
 - Leadership and Management 4
 - Policy and Strategy 4
 - People 4
 - Partnerships and Resources 5
 - Processes 4
 - Risk Handling and Assurance 4
 - Outcomes and Delivery 3
16. The Council has maintained the same scores as in the previous exercise undertaken in 2018.

Risk and Resilience Group

17. The Risk and Resilience Group meeting on 13 January discussed:

- Reviewing the Group Terms of Reference to ensure aim, purpose, role and responsibilities remain effective and appropriate, and Group membership reflects the revised Council structure;
- Corporate Risk Management and Business Continuity update; and
- Review of the Pandemic Influenza Plan

18. It was agreed by the Group that Services would re-examine the priority risks and ensure any changes in ownership arising from the Senior Management Review are reflected in the assessments. The number and type of risks being managed within the Council was noted and the Group was informed of those activities that have been identified as critical and for which continuity planning is underway.

Recommendation

19. It is recommended that the Committee note the report and consider the effectiveness of the Council's risk management arrangements.