

**SURREY COUNTY COUNCIL****CABINET****DATE: 27 OCTOBER 2015****REPORT OF: MS DENISE LE GAL, CABINET MEMBER FOR BUSINESS SERVICES AND RESIDENT EXPERIENCE****LEAD OFFICER: SHEILA LITTLE, DIRECTOR OF FINANCE****SUBJECT: LEADERSHIP RISK REGISTER****SUMMARY OF ISSUE:**

The Surrey County Council Leadership risk register is presented to Cabinet each quarter and this report presents the Leadership risk register as at 30 September 2015.

**RECOMMENDATIONS:**

It is recommended that the Cabinet note the content of the Surrey County Council Leadership risk register (Annex 1) and endorse the control actions put in place by the Statutory Responsibilities Network.

**REASON FOR RECOMMENDATIONS:**

To enable the Cabinet to keep Surrey County Council's strategic risks under review and to ensure that appropriate action is being taken to mitigate risks to a tolerable level in the most effective way.

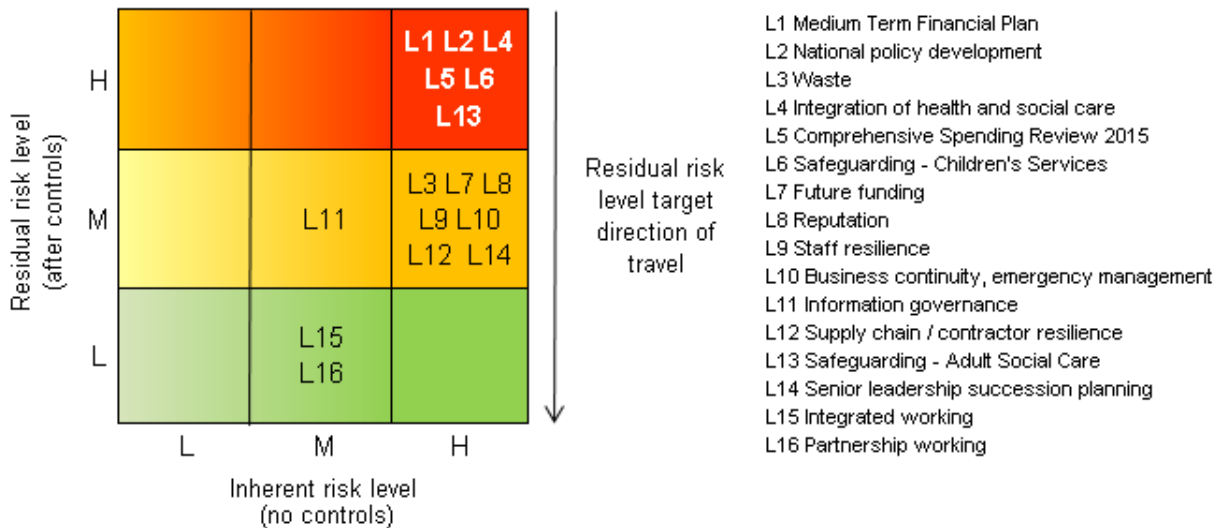
**DETAILS:**

1. The Surrey County Council Leadership risk register (Annex 1) is owned by the Chief Executive and captures Surrey County Council's key strategic risks. The risk register focuses specifically on the strategic risks facing the council as it strives to fulfil its purpose to ensure Surrey residents remain healthy, safe and confident about their future.
2. The role of the Cabinet is to assure itself that Surrey County Council's strategic risks are captured on the risk register and that appropriate actions are being taken to effectively mitigate the risks to a tolerable level.
3. The Surrey County Council Leadership risk register is reviewed monthly by the Statutory Responsibilities Network (SRN), bi-monthly by the Strategic Risk Forum (SRF) and the Audit and Governance Committee at each meeting.

4. A number of changes have been made to the risk register (Annex 1) since it was last presented to the Cabinet:
- Wording changes have been made and additional controls added to the 'processes in place' and 'controls' for risks L1 (Medium Term Financial Plan), L2 (National Policy Development) and L6 (Safeguarding – Children's Services); and
  - Addition of two new risks with low residual risk levels – Integrated Working (L15) and Partnership Working (L16).

### Residual risk level

5. The Surrey County Council Leadership risk register includes both the inherent and residual risk levels for each risk. Inherent risk is the level of risk before any control activities are applied. The residual risk level takes into account the controls that are already in place, detailed on the risk register as both 'processes in place' and 'controls.'
6. There are 16 risks on the Surrey County Council Leadership risk register, of which 13 have a high inherent risk level, as illustrated in the table below. Despite mitigating actions, six of these risks continue to have a high residual risk level (L1,L2,L4,L5,L6,L13) and eight continue to have a medium residual risk level (L3,L7,L8,L9,L10,L11,L12,L14): showing the significant level of risk that the council is facing despite the processes and controls being put in place to manage the risks.



### **CONSULTATION:**

7. The Surrey County Council Leadership risk register has been reviewed by a number of senior officer groups as detailed in paragraph 3. The Audit and Governance Committee reviewed the risk register on 28 September 2015.

### **RISK MANAGEMENT AND IMPLICATIONS:**

8. Effective management of risks and financial controls supports the council to meet its objectives and enable value for money.

### **Financial and Value for Money Implications**

9. There are no direct financial implications relating to the Surrey County Council Leadership risk register.

### **Section 151 Officer Commentary**

10. The Section 151 Officer is well sighted of current and emerging risks through being chair of the SRF, a member of the SRN and a direct report to the Chief Executive Officer. Her attendance at key strategic meetings provides further insight and ensures an integrated risk approach.

### **Legal Implications – Monitoring Officer**

11. There are no direct legal implications relating to the Surrey County Council Leadership risk register.

### **Equalities and Diversity**

12. There are no direct equalities implications but any actions taken need to be consistent with the council's policies and procedures.

### **WHAT HAPPENS NEXT:**

13. The Surrey County Council Leadership risk register will be presented to the Cabinet on a quarterly basis.

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#### **Contact Officer:**

Cath Edwards, Risk and Governance Manager  
Tel: 020 8541 9193

#### **Consulted:**

Strategic Risk Forum, Statutory Responsibilities Network, Chief Executive and direct reports, Audit and Governance Committee, Cabinet

#### **Annexes:**

Annex 1 – Leadership risk register

#### **Sources/background papers:**

None

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