



Audit & Governance Committee
13 March 2024

Risk Management

Purpose of the report:

To provide an update on risk management.

Recommendations:

It is recommended that the Committee:

Note the update on risk management.

Introduction:

1. Risk Management is presented to the Audit and Governance Committee twice per year – in March and September. This paper identifies some of the key process changes from 2023 and areas of improvement in 2024.

Risk Management Progress in 2023

2. Looking back to 2023, the following changes are worth highlighting to strengthen the Risk Management processes within the organisation:
 - The governance around the Risk Management Strategy was updated. The Strategy is now delegated to the Audit and Governance Committee for approval.
 - A Risk 'intranet' was developed on Sharepoint to allow staff to more easily access risk information such as risk templates, training etc.
 - Local Working Instructions (LWI) were created detailing the activities performed by the Head of Risk. This is designed to build resilience around the role given the function is performed by one individual.
 - Risk Management training materials were created to support a new two-day project management course. Delivered by the external

training organisation Wellington, by the end of 2023 over 500 staff completed the course.

- The actions identified from the internal audit undertaken at the end of 2022 on Risk Management were completed (and as previously reported to the Audit and Governance Committee in September 2023).
- The external auditors Grant Thornton completed a review on Risk Management and did not identify any recommendations for improvement. The review was part of the (Annual Report on Surrey County Council 2022/23).

It is also worth noting that Risk Management received two nominations as part of the SCC 'Stars in Surrey' for "Team Award for Outstanding Customer Service."

Risk 2024

3. Fundamentally, the approach to Risk Management in 2024 is not changing. It is built on strong engagement with the organisation to think about and plan for risks. At a strategic level, the Corporate Risk position for SCC is provided as an Appendix to this paper.
4. While the changes in 2023 were based on looking internally within the organisation to see what could be improved, the development of Risk Management in 2024 will be more outward orientated. Specifically, the focus will be to engage with some other similar organisations (ideally Councils of similar size and within the South East geography) to review how they are undertaking risk management and whether there are any areas which can be done differently, improved, started etc.
5. Linked to the above exercise, a wider review will be undertaken to assess what other organisations are reporting as to their key Corporate Risks and to determine to what extent they align with our own risks or not (and if not the reasons why).
6. For the avoidance of doubt, the above activities will be completed in addition to the normal Risk Management undertakings including working closely with the Directorates and teams to assess risks as well as providing risk updates to CLT, quarterly updates to icab (Informal Cabinet) and twice yearly assurance updates to the Audit and Governance Committee.

Next Steps:

7. The Audit and Governance Committee will receive a further risk update on a 6 monthly cycle with the next scheduled for September 2024.

Conclusions:

8. Risk management continues to be actively undertaken within Surrey County Council.

Financial and value for money implications

9. Improved decision making through risk management supports better allocation of resources and value for money.

Equalities and Diversity Implications

10. N/A.

Risk Management Implications

11. Failure to implement effective risk management will reduce the quality of decision making within the Council. Moreover, the Audit and Governance Committee will not be able to demonstrate that it is discharging its governance responsibility of having active risk management within the organisation.

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Annexes/Appendices:

Appendix A - Corporate Risk Heat Map

Sources/background papers:

None

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