

Part A

**Report to:**           **Audit Committee**

**Date of meeting:**   **Thursday, 14 March 2024**

**Report author:**     **Group Head of Democracy and Governance**

**Title:**               **Annual Risk Report**

**1.0 Summary**

1.1 Included in the Audit Committees Terms of Reference is consideration of the effectiveness of the council’s risk management arrangements, and to seek assurances that action is being taken on risk related issues and to approve the council’s risk management policy.

1.2 Attached at Appendix 1 is the council’s Risk Management Strategy for 2024. This has been reviewed and approved by CMB at its meeting on 27 February 2024.

1.3 Also attached at Appendix 2 is the Corporate Risk Register for review.

**2.0 Risks**

2.1

<b>Nature of risk</b>	<b>Consequence</b>	<b>Suggested Control Measures</b>	<b>Response</b> (treat, tolerate, terminate or transfer)	<b>Risk Rating</b> (combination of severity and likelihood)
Risks are not adequately managed within the council	The council takes decisions without having regard to risks and suffers loss	Risks are regularly reviewed at both CMB and service level and by project boards. Oversight is provided by Audit and Cabinet	Treat	4

**3.0 Recommendations**

3.1 That the Risk Management Strategy 2024 at Appendix 1 is approved.

3.2 That the Corporate Risk Register at Appendix 2 is noted.

**Further information:**

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#### 4.0 **Detailed proposal**

- 4.1 As stated above Audit Committee is responsible for overseeing the effectiveness of the council's risk management arrangements and approving the Risk Management Strategy. This is attached at Appendix 1. It was approved by CMB at its meeting on 27 February 2024. The Strategy has been amended since the one approved by this Committee in March 2023 by replacing the Group Head of Democracy and Governance as the lead for risk with the Associate Director of Customer and Corporate Services as the Group Head of Democracy and Governance will be retiring at the end of May 2024. The Committee is asked to approve the Strategy.
- 4.2 Attached at Appendix 2 is the Corporate Risk Register for review. This is reviewed quarterly by CMB and was last reviewed by CMB on 27 February 2024. Since the last review by this Committee SIAS our internal audit service has undertaken an audit of our risk management practices. As a result, CMB have approved making some changes to the Register. Members will note that each risk now references the nature of the risk related to the risk categories in the strategy. The Committee is asked to review and note the Risk Register.
- 4.3 The council also had the LGA Peer Challenge back in November and a recommendation from the Peer Challenge team was that the members, including Cabinet should have more frequent oversight of the risk register. Officers are therefore intending to take the register to Cabinet quarterly starting in the new municipal year and twice yearly to this Committee.
- 4.4 Training on Risk Management will be rolled out to members and officers during the course of the year. Work is progressing on the E-Learning module to ensure it reflects our Risk Strategy and once it is available it will be mandatory for all officers to complete every 2 years and for all new starters. It is also intended for Service Delivery Leads to become more involved in updating their service risk registers so they will receive more bespoke training. This Committee and Cabinet will also receive training after Annual Council in May, with the opportunity for all members to attend.

#### 5.1 **Financial**

- 5.1.1 The Chief Finance Officer comments that there are no financial implications arising directly from this report. However, effective risk management arrangements,

including effective oversight by members, are critical to the ongoing financial sustainability of the Council.

## 5.2 **Legal Issues** (Monitoring Officer)

5.2.1 The Group Head of Democracy and Governance comments that the council is required to show that it has in place systems for the effective management of risk as part of its governance arrangements which are tested by our external auditors.

## 5.3 **Equalities, Human Rights and Data Protection**

### 5.3.1

Having had regard to the council's obligations under s149, it is considered there are no equalities implications in this report.

## 5.4 **Staffing**

5.4.1 Mandatory training will be rolled out for staff during this year.

## 5.5 **Accommodation**

5.5.1 No implications.

## 5.6 **Community Safety/Crime and Disorder**

5.6.1 No implications.

## 5.7 **Sustainability**

5.7.1 No implications.

## **Appendices**

- Appendix 1 Corporate Risk Management Strategy 2024
- Appendix 2 Corporate Risk Register.

## **Background papers**

No papers were used in the preparation of this report.