

Guildford Borough Council

Report to: Corporate Governance & Standards Committee

Date: 6 June 2024

Ward(s) affected: All

Report of Assistant Director: Organisational Development

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Report Status: Open

Risk management and Corporate Risk Register

1. Executive Summary

- 1.1 The Corporate Governance & Standards Committee receives six-monthly updates on the Council's corporate risks, with the last update brought in November 2023.
- 1.2 Since this meeting, a report commissioned by the Council into corporate governance has identified areas for improvement regarding the Council's approach to risk management.
- 1.3 An update on the corporate risk register was due to be brought to this meeting of the Committee. However, and in light of the SOLACE report and the Council's resultant commitment to reviewing its performance and risk management frameworks (Corporate

improvement plan action ref 13.1), officers are working at pace on improvements to risk management at the authority. A progress update – including intended next steps as well as an updated Corporate Risk Register – will be brought to the Committee’s next meeting on 25 July 2024.

2. Recommendation to Committee

- 2.1 That the Committee notes this report and the deferment of the update on the Corporate Risk Register to the Committee’s next meeting on 25 July 2024.

3. Reason for Recommendation:

- 3.1. To support the Committee’s constitutional role in respect of risk management.

4. Exemption from publication

- 4.1. No part of this report is exempt from publication.

5. Purpose of Report

- 5.1. To update the Committee on risk management at the Council.

6. Strategic Priorities

- 6.1. Risk management is fundamental to achieving the Council’s strategic priorities. It should underpin effective corporate governance, leadership as well as the direction, control, and management of the Council.

7. Background

Role of the Corporate Governance & Standards Committee

- 7.1. Part 2 (Article 10) of the Council’s Constitution states that, in respect of risk management, the Committee’s purpose is:

... to provide independent assurance to councillors of the adequacy of the risk management framework and the internal control

environment. It provides independent review of the authority's governance, risk management and control frameworks ...

- 7.2. The Committee receives six-monthly updates on the Council's Corporate Risks. The Council's Risk Management Strategy and Policy 2022-25 (dated April 2022) defines Corporate Risk as the '*highest level of risk ... risks included in the corporate risk register should be ones that could have an effect on the successful achievement of our long-term core purpose, priorities and outcomes*'.

Risk management at Guildford Borough Council

- 7.3. The Committee last received an update on Corporate Risks at its meeting on 29 November 2023. At this meeting the Committee raised a number of comments and areas for improvement on the content and format of the Corporate Risk Register.
- 7.4. Further, a recently published report commissioned by the Council from SOLACE (the Society of Local Authority Chief Executives) into corporate governance has identified a number of areas for improvement regarding the Council's approach to risk management.
- 7.5. In light of this report, as well as previous comments made by the Committee, officers will develop and implement a new risk management strategy and methodology for the Council.
- 7.6. The new strategy and methodology will set out the overarching approach to risk management at the Council. It will ensure that risk management underpins effective corporate governance and, in so doing, will strengthen the internal control environment, thereby supporting the delivery of the Council's objectives.
- 7.7. An update on Corporate Risks was due to be brought to this meeting of the Committee. However, and in light of the above, this will be deferred to the Committee's meeting on 25 July 2024. The delay will allow officers to:
- Implement a new risk register template that provides Members with greater visibility of Corporate Risks, the recent direction of

travel, as well as ensuring that controls and mitigations are clearly identified and with timescales for implementation set out.

- Scope the parameters of an updated risk management strategy, undertaking consultation with Committee members and Executive members as necessary.

8. Consultations

- 8.1. The Council's Joint Management Team and Executive has been consulted on the contents of this report.

9. Key Risks

- 9.1. There are no additional risk management implications arising from this report.

10. Financial Implications

- 10.1. There are no financial implications arising from this report.

11. Legal Implications

- 11.1. The Council holds various statutory responsibilities for ensuring that its business is conducted in accordance with the law and that public money is safeguarded, accounted for, and is used economically and effectively.
- 11.2. The statutory Best Value duty includes a requirement for local authorities to effectively manage risk.

12. Human Resource Implications

- 12.1. There are no Human Resource implications arising from this report.

13. Equality and Diversity Implications

- 13.1. There are no equality and diversity implications arising from this report.

14. Climate Change/Sustainability Implications

14.1. There are no climate change and/or sustainability implications arising from this report.

15. Summary of Options

15.1 The Committee's options are as follows:

- Option 1 – note this report and make any comments on its contents to officers.
- Option 2 – note this report and make no comments on its contents to officers.

16. Conclusion

16.1 For the reasons set out in the main body of this report, an update on Corporate Risks will be brought to the 25 July 2024 meeting of this Committee, which will also contain an update on plans for implementing a new risk management strategy for the Council.

17. Background Papers

None.

18. Appendices

None.