

**Internal
Audit**

Risk Management

2021/22

Overall assurance rating



Substantial

Audit findings requiring action

Extreme	High	Medium	Low
0	0	0	0

The council's corporate risk management framework is operating effectively again, after the formal process was suspended. A revised framework was introduced in 2021 based on new directorate risk registers. These inform the Corporate Risk Register (CRR), which is reviewed and approved by Corporate Management Team (CMT) and the Audit, Risk and Governance Committee. Policy is embedded in the council's governance and decision-making processes and is supported by guidance and training.

Background

This audit has been undertaken in accordance with the 2021/22 Internal Audit Plan as approved by the Audit Risk & Governance Committee. The audit covers the period April 2020 to December 2021 and has been conducted in conformance with the Public Sector Internal Audit Standards.

Context

The formal risk management process was suspended in February 2020 for 18 months during the pandemic and was resumed with the publication of a 2021/22 Q2 CRR in October 2021. Risks were instead identified and managed through regular directorate situation reports to CMT. Established processes were resumed with the production of the 2021/22 Q2 CRR in October 2021.



Previous audit

An internal audit of Risk Management was last carried out in January 2020. This resulted in a substantial assurance opinion being issued.

Scope of Audit

In this audit we have reviewed and tested the adequacy and effectiveness of the controls and processes established by management to mitigate the key risks relating to the following areas detailed in the table below.

Area of Coverage	Commentary	Assessment
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<p>Policies, procedures, guidance and training</p>	<p>The risk management framework is formalised in the Code of Corporate Governance, Risk Appetite Statement, a Statement of Commitment and risk management approach. The council's risk management framework adheres to the principles of ISO 31000:2018.</p> <p>Guidance for Members and officers is published on the Intranet but could benefit from being updated, which includes adding the contact details for the directorate risk champions to the risk management pages of the intranet.</p> <p>Directorate risk champions have been appointed. Training has been provided to help them support the risk management process. Further support could be provided to risk champions by issuing reminders regarding the tools available for managing risk including risk profiles and heat maps and the benefits they can provide.</p> <p>A short training video (vodcast) covering risk management responsibilities and processes is available for Members. Further benefits could be realised by making the vodcast available to key staff, including Risk Champions.</p>	
<p>Risks are assessed in line with the council's methodology</p>	<p>The risk management framework is formalised in the Code of Corporate Governance, Risk Appetite Statement, a Statement of Commitment and risk management approach. The council's risk management framework adheres to the principles of ISO 31000:2018.</p> <p>Guidance for Members and officers is published on the Intranet but could benefit from being updated, which includes adding the contact details for the directorate risk champions to the risk management pages of the intranet.</p> <p>Directorate risk champions have been appointed. Training has been provided to help them support the risk management process. Further support could be provided to risk champions by issuing reminders regarding the tools available for managing risk including risk profiles and heat maps and the benefits they can provide.</p> <p>A short training video (vodcast) covering risk management responsibilities and processes is available for Members. Further benefits could be realised by making the vodcast available to key staff, including Risk Champions.</p>	
<p>Performance information</p>	<p>The council's Constitution gives the Audit, Risk and Governance Committee responsibility to monitor the development and operation of the risk management framework and processes, and a general responsibility to provide independent oversight over its adequacy.</p> <p>The CMT oversees and monitors the operation of risk management arrangements.</p> <p>Production of risk registers resumed in quarter two 2021/22. This risk register primarily included risks associated with governance issues. CMT's review resulted in the inclusion of an additional risk relating to demand for client led services, with some opportunities that focus on strength-based working and environmental improvements. These risks were reported to the Accounts, Risk and Governance Committee.</p>	