

**READING BOROUGH COUNCIL
REPORT BY DIRECTOR OF FINANCE**

TO:	AUDIT & GOVERNANCE COMMITTEE		
DATE:	20 April 2021		
TITLE:	STRATEGIC RISK REGISTER Q4 2020/2021		
LEAD COUNCILLOR:	COUNCILLOR EMBERSON	PORTFOLIO:	CORPORATE AND CONSUMER SERVICES
SERVICE:	AUDIT & INVESTIGATIONS	WARDS:	N/A
LEAD OFFICER:	PAUL HARRINGTON	TEL:	9372695
JOB TITLE:	CHIEF AUDITOR	E-MAIL:	Paul.Harrington@reading.gov.uk

1. PURPOSE OF REPORT

- 1.1 This report outlines the Q4 2020/2021 update of the Strategic Risk Register.
- 1.2 The Register is presented to the Council's Audit & Governance Committee a minimum of six monthly or quarterly in the case of any risks where the position has worsened or for residual red risks where the Audit & Governance Committee shows a particular interest. It was last presented to the Committee in October 2020.
- 1.3 The Strategic Risk Register has recently been added to the In-Phase performance management system. This is the first time that In Phase has been used to progress quarterly risk register updates and therefore the format of the risk register is slightly different.
- 1.4 The following documents are appended:
Appendix 1 - the Council's Corporate (Strategic) Risk Register.

2. RECOMMENDED ACTION

- 2.1 The committee are requested to consider the Council's strategic risks as of the 31 Mar 2021 (end of Q4).

3. KEY ISSUES

- 3.1 Risk management is a key part of corporate governance. Good risk management will help identify and deal with key Strategic risks facing the Council in the pursuit of its goals and is a key part of good management, not simply a compliance exercise. Risk management and internal control are important and integral parts of a performance management system and crucial to the achievement of outcomes. They consist of an ongoing process designed to identify and address significant risks involved in achieving the Council's outcomes.
- 3.2 The Strategic Risk Register has been developed to provide a concise, focused and high-level overview of Strategic risks that can be easily communicated to all staff, councilors and stakeholders (e.g. Council's Insurers). It should, however, always be supplemented by the more detailed directorate/service/project risk registers.
- 3.3 Although guidance is provided in relation to the scoring of risks, with a view to providing as much consistency as possible, it still remains very much a subjective process. The primary aim of the Strategic Risk Register is to identify those key vulnerabilities that CMT consider need to be closely monitored in the forthcoming months and, in some instances, years ahead. In many cases this will be because the risk is relatively new and, whilst being effectively managed, the associated control framework is yet to be fully defined and embedded. In such circumstances it follows that not only will the potential impact be large, but the risk of likelihood of occurrence could also be increased. Furthermore, it is possible that the likelihood can be influenced by events outside of the Council's control e.g. the economic climate and its impact on financial planning, or severe weather etc.

4. CONTRIBUTION TO STRATEGIC AIMS

- 4.1 Regular review of the Strategic Risk Register is an integral part of effective risk management arrangements and corporate governance. Identifying risk appetite enables the Council to clarify the extent of risk mitigation required in order to achieve its strategic aims.

5. COMMUNITY ENGAGEMENT AND INFORMATION

- 5.1 N/A

6. LEGAL IMPLICATIONS

- 6.1 There are no specific legal implications arising from the recommendations in this report"

7. FINANCIAL IMPLICATIONS

7.1 N/A

8. BACKGROUND PAPERS

8.1 Appendix 1 - the Council's Corporate (Strategic) Risk Register.