

Allerdale Borough Council

Audit Committee – 20 March 2023

Risk Management Progress Report 2022.23

Portfolio holder	Councillor Colin Sharp PH Finance & Legal
Report from	Michael Roper - Strategic Advisor: Assurance, Risk & Audit
Wards affected	All
Is this a key decision	No

1.0 The reason for the decision

- 1.1 To inform the Committee of the work performed by the Assurance, Risk and Audit Team in relation to Risk Management, including progress on recommendations made in the 2021/22 Audit review.

2.0 Recommendations

- 2.1 That the work undertaken is noted subject to any additional information that the committee may require.

3.0 Background and Introduction

- 3.1 Management of risk is the responsibility of management. The Council has an Integrated Assurance Strategy that details how risks should be identified, assessed, mitigated and monitored.
- 3.2 The Assurance, Risk and Audit function has oversight of this process, including provision of training, advice and support where required and advocating best practice.
- 3.3 An Internal Audit of Risk Management was completed by an externally procured provider in 2021/22 (Appendix 1), with findings reported to the 25 July 2022 Committee. The report provided moderate assurances and included 1 high graded recommendation and 3 medium graded recommendations.

3.4 The 2022/23 Internal Audit plan included a 5-day allocation for a follow-up of this review. As responsibility for the outstanding recommendations were assigned to Assurance, Risk and Audit an externally procured audit was required to ensure an independent review.

4.0 Progress

4.1 The previous provider was approached to deliver the follow-up review but confirmed they did not have capacity. Further attempts to procure an external review from other providers were also unsuccessful due to the current high demand for Internal Audit services.

4.2 As an alternative assurance, this report has been prepared by Assurance, Risk and Audit as a self-assessment of progress against the recommendations. None of the recommendations will be closed and therefore will be carried forward to Cumberland Council until suitable external assurances can be obtained.

4.3 Progress made against the recommendations is documented at Appendix 2. The following is a summary of work undertaken by Assurance, Risk and Audit in relation to enhancing risk management at Allerdale during 2022/23:

- Regular review and advice provided to SMT in relation to existing strategic risk register.
- Commissioning of external support to re-develop operational risk registers for all Services, followed by regular reviews.
- Risk workshop held for Allerdale Waste Services Limited.
- Regular input into risk register for Regeneration projects.
- Joint exercise with Procurement to provide training in relation to Procurement Fraud risk management.
- Risk registers subject to audit testing and recommendations where relevant.

4.4 An update to the assurance framework was not undertaken as this was superseded by work undertaken by the LGR Risk Management Group.

5.0 LGR Risk Management Group

5.1 Assurance, Risk and Audit have been part of a Risk Management group in the build-up to LGR, which is developing Cumberland Council's approach to Risk Management.

5.2 The group has prepared a draft risk management framework for Cumberland Council, utilising best practice from legacy frameworks.

5.3 The group also started work on developing a strategic risk register for Cumberland, including delivery of a strategic risk management workshop with Cumberland's Senior Leadership Team in March 2023.

6.0 Implications and Impact

6.1 Contribution to Council Strategy Priorities, Outputs and Outcomes

Acceptance of the Assurance, Risk and Audit Team's work to enhance risk management provides a direct contribution to the achievement of the Council's priorities.

6.2 Finance/Resource implications

There are no additional finance or resource issues that have not been previously highlighted in this report or previously reported to the Committee.

6.3 Legal and governance implications

There are no additional legal and governance issues that have not been previously highlighted in this report or previously reported to the Committee.

6.4 Risk analysis

Acceptance of this report provides assurance that adequate risk management processes are in place at Allerdale Borough Council.

6.5 Increasing satisfaction and service

Deliver of Internal Audit assurance activity will ensure an effective Internal Audit service that adds value to the achievement of organisational objectives through reviewing and suggesting improvements to the Governance, Risk Management and Internal Control Framework.

6.6 Equality impacts

Equality impacts Equality is considered during the Assurance, Risk and Audit activities

6.7 Health and Safety impacts

Acceptance of this report has no health and safety impacts

6.8 Health, wellbeing and community safety impacts

Acceptance of this report has no health, wellbeing and community safety impacts

6.9 Environmental/sustainability impacts

Acceptance of this report has no environmental/sustainability impacts

6.10 Other significant implications

None

Appendices attached to this report

Appendix number	Title of appendix
1	Previous Audit 2021/22 (MIIA)
2	Progress against Audit Recommendations

Background documents available

Name of background document	Where it is available

Report author(s) and contact officer(s):

Michael Roper

Strategic Advisor – Assurance, Risk & Audit

Michael.Roper@allerdale.gov.uk

07518294374