

<b>Subject</b>	<b>Annual Review of the Risk Management Framework</b>	<b>Status</b>	For Publication
<b>Report to</b>	Audit Committee	<b>Date</b>	20 <sup>th</sup> October 2022
<b>Report of</b>	Corporate Manager - Governance		
<b>Equality Impact Assessment</b>	Not Required	Attached	No
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## 1 **Purpose of the Report**

- 1.1 To allow members of the Committee to consider the annual review of the Risk Management Framework.
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## 2 **Recommendations**

- 2.1 Members are recommended to:
- a. Note the contents of this report and consider whether any additions or changes are required to the Risk Management Framework.**
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## 3 **Link to Corporate Objectives**

- 3.1 This report links to the delivery of the following corporate objectives:  
**Effective and Transparent Governance**

To uphold effective governance always showing prudence and propriety.

## 4 **Implications for the Corporate Risk Register**

- 4.1 The issues dealt with in this report concern the effectiveness of the risk management framework rather than any specific individual risk.

## 5 **Background and Options**

- 5.1 The terms of reference of the Audit Committee require that it review the Risk Management Framework on an annual basis. This report is intended to fulfil that requirement.
- 5.2 The Risk Management Framework is at Appendix A and the current corporate risk register (as reviewed at the last meeting of the Authority) at Appendix B.

- 5.3 The Senior Management Team have continued to review the risk register monthly and update scores and mitigations as necessary, together with commentary to support the making of changes to scores (or not). This provides members of the Authority with assurance that risk management arrangements at an operational level are being operated as intended.
- 5.4 During the last 12 months, following the expansion of the Governance team, we have been able to provide more dedicated focus to the area of risk management across the organisation and we arranged for internal audit to undertake a review of our arrangements to help inform the work of the team on planning improvements and enhancements that can be taken forward over the next year. The audit review concluded in August 2022 with a Reasonable (Positive) assurance opinion, and management actions were agreed in respect of three findings: one with medium and two with low impact.
- 5.5 The plans to enhance the risk management framework going forward include adding a secondary layer of assurance in addition to SMT by involving the corporate and team managers and giving them the responsibility to monitor risks within their teams and escalate to SMT where appropriate. In addition, options for a new risk management software system are being explored to help embed, streamline and support the more robust arrangements across the whole organisation, and to integrate this with wider compliance, performance and project management processes.
- 5.6 Given that the internal audit review has provided assurance that the Risk Management Framework continues to operate effectively in its current form, and pending the implementation of the actions outlined above, it is not proposed to make any substantive changes to the Framework at this stage. Members are asked to endorse this approach. A further review and full update will be undertaken at the relevant time in the coming months to take account of the implementation of the planned developments.

## 6 **Implications**

- 6.1 The proposals outlined in this report have the following implications:

Financial	None directly
Human Resources	None directly
ICT	None directly
Legal	None directly
Procurement	None directly

**Jo Stone**

**Corporate Manager - Governance**

<b>Background Papers</b>	
<b>Document</b>	<b>Place of Inspection</b>