



Audit and Governance Committee		Agenda Item
17 November 2023		5
Title:	Corporate Risk Register	
Report of:	Nick Bell, Executive Director, Resources and Performance	
Lead Member:	Cllr Edna Murphy	
Public Report:	Yes	
Voting Arrangements:	To note	

Recommendations:

A	To note the refreshed Corporate Risk register report, risk dashboard and heat map.
B	To note the proposal for how often the register should be reviewed going forward based on best practice.
C	To note the update on Risk Software including Training.

Strategic Objective(s):

The proposals within this report fit under the following strategic objective(s):

X	Achieving ambitious skills and employment opportunities
X	Achieving good growth
X	Increased connectivity
X	Enabling resilient communities
X	Achieving Best Value and High Performance

1. Purpose

1.1	To note the refreshed risk register, risk dashboard and heat map in Appendix 1-3.
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2. Proposal

2.1	The tables below display the October Corporate risk register inherent and residual risk status and changes since the previous reporting period.
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Inherent Risk Score Table:

Period	Red (Very High)	Amber (High)	Yellow (Medium)	Green (Low)
September 2023	16	0	0	0
October 2023	13	1	2	0

Residual Risk Score Table:

Period	Red (Very High)	Amber (High)	Yellow (Medium)	Green (Low)
September 2023	4	6	6	0
October 2023	0	2	13	1

Please note the risk matrix definitions were updated in the Risk Management Framework that was agreed at CA Board on the 20th September 2023.

As such all risks have been reviewed and rescored with regards to the new definitions. For example, financial risks definitions have increased to a more realistic level given the Combined Authority project portfolio.

The results of this exercise can be seen in the inherent and residual scores table above.

Since September one risk has closed which is Strategy Gap due to completion of the controls including an agreed Corporate Plan, Business Plans, Performance Management Framework, Single Assurance Framework and the commissioning of State of the Region and Shared Vision.

There is one risk that has been reopened which is Governance VfM risk given feedback received from the Department of Levelling Up, Housing and Communities representative at a regular Improvement Plan Best Value notice progress meeting.

In summary, 10 residual risks have reduced in scores and 1 risk has increased. We therefore no longer have any red residual risks. This improved trend is following a thorough review of the risks and the strengthening of controls.

2.2

Frequency of reporting

Within the Risk Management Framework, it states that a Risk Report will be reviewed quarterly at the Audit & Governance Committee.

The Committee requested that a best practice risk reporting review be undertaken, and its findings be presented at this meeting.

In reviewing the frequency of risk reporting at the Mayoral Combined Authorities the following was found:

Mayoral Combined Authority	Meeting frequency
Tees Valley	Tri-annually
Manchester	Quarterly
West Midlands	Bi-monthly
Liverpool	Bi-monthly
West of England	Quarterly
North of Tyne	Quarterly
South Yorkshire	Bi-monthly

	West Yorkshire	Bi-monthly
	London	Quarterly
	In summary, the Mayoral Combined Authorities prefer corporate risk reporting to their Assurance and Governance Committees, or equivalents as follows:	
	Meeting Frequency	Total
	Bi-monthly	4
	Quarterly	4
	Tri-annually	1
2.3	Implementation of Risk Register software – 4Risk <p>In May, risk software was procured. (4Risk supplied by RSM). The investment in new corporate, web-based risk software will allow a central and auditable platform to register risks associated across the work programme.</p> <p>The Corporate Risk Register is now on 4Risk and training is to be provided to corporate risk owners and leads in November.</p> <p>The Service Registers (Transport, Skills, Business, Climate etc.) will be added to 4Risk in November following one-to-one training by RSM with each Service Lead to support the update of the registers and train how to update the registers on the software / use the software. This includes training to subsidiary companies.</p>	

3. Background

3.1	<p>The Combined Authority Risk Management Framework and Procedure was approved at 08 September Audit & Governance Committee, and 20 September Combined Authority Board.</p> <p>Work continues in embedding the Framework and Procedure, including through training and software.</p>
3.2	<p>The Framework states that the Programme Management Office are responsible for ensuring that the Corporate Risk Register is maintained, updated and that risks are regularly reviewed with the Executive Director of Resources & Performance, Corporate Management Team, Audit & Governance and the Risk Owners.</p> <p>The Audit & Governance Committee is responsible for overseeing the Authority's Risk Management Framework and Procedures and the Corporate Risk Register, to ensure that risk management is being done to the appropriate standard and in line with this framework.</p> <p>This item is key to ensuring this is completed.</p>

4. Appendices

4.1	<p>Appendix 1. Corporate Risk register</p> <p>Appendix 2. Risk Dashboard</p> <p>Appendix 3. Residual movement heatmap</p>
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5. Implications

Financial Implications	
5.1	There are no direct financial implications to this report but effective risk management is essential to demonstrate Best Value.
Legal Implications	
5.2	The Cities and Local Government Devolution Act 2016 established the requirement for Combined Authorities to appoint an audit committee whose functions include reviewing and assessing the authority's risk management, internal control and corporate governance arrangements.
Public Health Implications	
5.3	None
Environmental & Climate Change Implications	
5.4	None
Other Significant Implications	
5.5	None
Background Papers	
5.6	None