

Audit, Standards and Risk Committee

Wednesday, 13 December 2023

Risk Management Monitoring Report

Is the paper exempt from the press and public?	No
Reason why exempt:	Not applicable
Purpose of this report:	Monitoring/Assurance
Is this a Key Decision?	No
Has it been included on the Forward Plan of Key Decisions?	Not a Key Decision

Director Approving Submission of the Report:

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Report Author(s):

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Executive Summary

This report provides the Risk Management Dashboard, which includes:

- The corporate risks of the Mayoral Combined Authority (MCA).
- 'High' and 'Medium/High' risks at Directorate level (operational risk).
- Risks with a health and safety 'theme' with a score of 5 or over.

What does this mean for businesses, people and places in South Yorkshire?

Effective risk management is a key principle of good governance and decision making, which enables the MCA to pursue its ambitions and objectives in the most effective and efficient way, bringing about better outcomes for residents and businesses in South Yorkshire.

Recommendations

Members are asked to consider the Risk Management Dashboard and note the progress in embedding risk management processes.

Consideration by any other Board, Committee, Assurance or Advisory Panel

None

1. Background

- 1.1 The Risk Management Framework has now been in place for just over a year. The Committee has played a key role in developing the Framework and overseeing its implementation.

2. Embedding the Risk Management Framework – Progress since September

- 2.1 Since the last report in September:

- Risk refresh work with the Policy and Strategic Development Directorate and Growth, Business and Skills Directorate has continued including a workshop to peer review and moderate risk evaluation and assessment.
- Internal audit work has concluded (report included at agenda item 16) and a 'reasonable assurance' opinion given. Six management actions have been agreed to further strengthen arrangements and drive risk maturity – one has a 'medium' priority and five are considered 'low' priority. These include:
 - Ensuring risk discussions in directorate level forums are captured appropriately (Low)
 - Further use of risk identification methods and recording output (Low)
 - Introduction of target scores and de-escalation of risks reaching target (Low)
 - Further training for staff on defining and monitoring controls (Low)
 - Monitoring action completion (Low)
 - Establishing an assurance map to assess sources of assurance and assurance gaps (Med)
- The Risk Management Framework will be updated appropriately to reflect the recommended actions and the Governance Team will explore how the risk management IT system can be used to support any new ways of working.

Next period

Aligned to the Annual Governance Review Process, the Executive Leadership Board (ELB) will undertake a full review and refresh of corporate level risks. In addition, in line with the Risk Management Framework, ELB will collectively review all recorded organisational risks.

3. Risk Dashboard

- 3.1 The Risk Dashboard provided at appendix A provides the following information:

Corporate Risks

Corporate risks by 'strategic group' - a bar chart that demonstrates the volume of risks and respective ratings by strategic 'group' (the categories established by the Framework for reporting purposes).

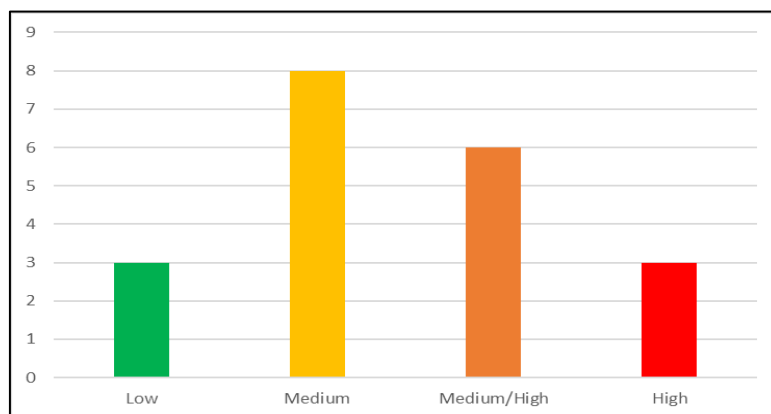
Corporate risks by 'risk score' – a bar chart that demonstrates the spread of corporate risks by current risk score.

Corporate risks by 'Directorate' – a bar chart that demonstrates the risks and where they reside within the directorates of the MCA.

Heat Map - The heat map provides a visual representation of the position of the risks within the probability and impact scoring grid and indicates the change in score from inherent to residual following the application of controls.

Corporate Risk Register – provides the risk description, inherent risk score, controls, residual risk score and mitigating actions. Lists risks from high to low.

There are currently 20 risks at corporate/strategic level. The chart below indicates the spread of these by residual risk score:



3.2 Directorate/Team Risks

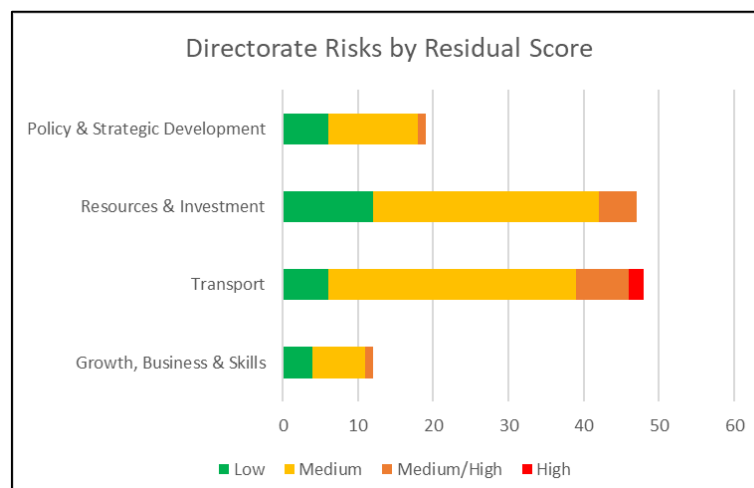
Volume of risks by risk score per Directorate - a bar chart that illustrates the volume of risks by residual risk score/

Volume of risks per team within each Directorate - a bar chart that illustrates the volume of risks by residual risk score distributed across teams within a Directorate.

Directorate/Team level Risks Registers - provides the risk description, inherent risk score, controls, residual risk score and mitigating actions for all risks scoring medium-high and high (amber and red).

Summary

There are currently 16 risks at directorate level with a residual risk score of 'medium/high' and 'high'. The chart below indicates the risk profile of each directorate by residual risk score:



More detail can be found within the Risk Dashboard Report at appendix A.

3.3 Health & Safety Risks

Risk Register of risks with a health and safety ‘theme’ – provides the risk description, inherent risk score, controls, residual risk score and mitigating actions for all risks with a score of 5 or above. There is a low appetite for any risks which have a health and safety element to them.

Summary

There are 22 risks scoring 5 or over, 2 of which have a residual score of ‘medium/high’ the remaining 20 have a residual score of ‘medium’. More detail can be found within the Risk Dashboard Report at appendix A.

4. Consultation on Proposal

4.1 Not applicable

5. Timetable and Accountability for Implementing this Decision

5.1 Not applicable

6. Financial and Procurement Implications and Advice

6.1 There are no specific financial risk implications however, failure to effectively manage risk may have significant financial and reputational impact and for the MCA.

7. Legal Implications and Advice

7.1 There are no legal implications as a result of this report.

8. Human Resources Implications and Advice

8.1 There are no human resources implications as a result of this report.

9. Equality and Diversity Implications and Advice

9.1 There are no equality and diversity implications as a result of this report.

10. Climate Change Implications and Advice

10.1 There are no climate change implications as a result of this report.

11. Information and Communication Technology Implications and Advice

11.1 There are no ICT implications as a result of this report other than the ongoing requirement to add IT users to the user group for the risk management IT system.

12. Communications and Marketing Implications and Advice

12.1 There are no communications or marketing implications as result of this report.

List of Appendices Included:

A Risk Management Dashboard

Background Papers

None