

**Report of: Corporate Director of Resources**

| <b>Meeting of:</b> | <b>Date:</b>                  | <b>Ward(s):</b> |
|--------------------|-------------------------------|-----------------|
| Audit Committee    | 25 <sup>th</sup> January 2021 | All             |

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**SUBJECT: Risk Management Update – December 2020****1. Synopsis**

- 1.1 Audit Committee requested, at its meeting of 28th July 2020, that a Risk Management update be included on Committee's agenda as a standing item. The purpose of standing item is to provide Committee with an update on risk management activity that has taken place in between comprehensive reports being brought to Committee. The paper is also intended to provide Committee with an insight of risk management activity that occurs outside of the Principal Risk Reporting cycle.

**2. Recommendations**

- 2.1 Committee is asked to note the report; which includes key activity since the last comprehensive Principal Risk Report to Committee in September 2020.

**3. Principal Risks and related mitigating activity**

- 3.1 The next comprehensive Principal Risk Report is tabled for Committee in May 2021. Committee noted the last Principal Risk Report on 29<sup>th</sup> September 2020. Actions to mitigate Principal Risks continue to be implemented to target dates (as listed in Appendix 2 of the report , a copy can be accessed [here](#)). The Council's Risk Manager has continued to provide steer to risk leads as requested.

## **4. Covid-19**

Covid-19 has seen a wide-ranging and large-scale impact on Islington as a borough – affecting our citizens, partners and businesses and us as an organisation. This has resulted in shifts in the delivery of services, changes in where and how people work, and resourcing and financial challenges. As a result, a number of our principal risk scores were changed and new Principal risks were added to the September 2020 Principal Risk Report to reflect the current external environment and the ongoing risks associated with the pandemic. These risks continue to be monitored and risk leads are progressing mitigating actions as outlined in the September 2020 Principal Risk Report shared with Audit Committee. The Council's Lateral Flow Testing began in December 2020.

On 5<sup>th</sup> January 2021 the United Kingdom entered a state of National Lockdown. Our emergency response is activated, with Gold and Silver command in place.

## **5. Transformation**

5.1 The Council landed an approach that ensured that the Council's Transformation Service worked proactively with the Risk Management Service to determine how the risk management framework could support the development of Corporate Delivery Board's governance in relation to defining risks and issues. Advice was provided by the Risk Management Service to the Strategy and Change team and training will also be delivered as needed to risk owners.

## **6. EU Exit Resilience**

6.1 As included in our last update to Committee in September 2020, the Council has undertaken comprehensive planning and risk mitigation to ensure that key risks arising from UK's Exit from European Union are effectively managed. Following the UK's exit from the European Union the UK announced the agreement of a trade deal with Europe in late December 2020. The Brexit Resilience Group will work through the new trade deal to identify and manage potential risks.

6.2 The Risk Management Service has supported the Council's Brexit Resilience Group to develop a tailored three-strand risk management approach as outlined below:

- long term planning to ensure business continuity across direct and partner delivered services in key areas including workforce availability, supply chain disruption, and information management;
- action to ensure that affected residents and staff secure Settled Status;
- focus on high velocity risks (ie. those most likely to materialise most quickly) in the immediate run-up to the end of transition.

6.3 The Brexit Resilience Group has governed this activity and helped provide assurance that the Council is as well-prepared as possible given the continuing uncertainty and wider context of Covid-19 and an economic downturn.

## **7. Risk Management Workshops**

7.1 The Risk Management Service has provided a number of workshops and Risk Management discussions across the Council's services. These workshops and discussions are planned and delivered to support services in implementing the Risk Management framework.

## **8. Director Engagement**

8.1 Following a positive exercise over Summer/Autumn 2020 in landing the Council's risk profile in light of Covid 19 and our focus on Tackling Inequalities, the Council was keen to maintain momentum and focus on pro-active risk management. In order to ensure that Directorates were well equipped to manage risks as we approached the winter and a potential second wave of Covid-19; Corporate Directors were provided with information on the following to take forward with their Departmental Management Teams (DMTs):

- Strategic Risk Assessment (SRA) - an exercise which focusses on new objectives and identifying risks and actions, whilst ensuring maximisation of existing strengths. During this time of change as DMTs navigate the renewal/recovery process, it was useful to take time to consider any potential barriers to success, whilst also recognising any existing enablers.
- Risk velocity - a tool to assist with prioritisation of resources. Risk velocity is an indicator which describes the speed of impact of a risk. The Brexit Resilience Group employed this tool successfully and it was felt that roll-out would be useful in this environment of fast paced change.

## **9. Implications**

### **9.1 Financial implications:**

The programme of work has been met from within the existing risk management budget. The financial implications of individual principal risks are met by local budgets.

### **9.2 Legal Implications:**

There are no legal implications arising from this report. Legal advice and support will be provided, where necessary, in relation to individual risks.

### **9.3 Environmental Implications**

There are no environmental implications arising from the recommendations in this report.

### **9.4 Resident Impact Assessment:**

The council must, in the exercise of its functions, have due regard to the need to eliminate discrimination, harassment and victimisation, and to advance equality of opportunity, and foster good relations, between those who share a relevant protected characteristic and those who do not share it (section 149 Equality Act 2010). The council has a duty to have due regard to the need to remove or minimise disadvantages, take steps to meet needs, in particular steps to take account of disabled persons' disabilities, and encourage people to participate in public life. The council must have due regard to the need to tackle prejudice and promote understanding.

A Resident Impact Assessment has not been completed because the decision currently being sought does not have direct impacts on residents.

## **10. Reason for recommendations**

This report provides an overview of key risk management activities since the last update to Committee in September 2020.

Final report clearance:



**Signed by:** David Hodgkinson

**Date:** 07/01/2021

Report Author: Nasreen Khan, Head of Internal Audit, Investigations and Risk Management  
Tel: 020 7974 2211  
Email: [Nasreen.Khan@islington.gov.uk](mailto:Nasreen.Khan@islington.gov.uk)

Financial Implications Author: Paul Clarke, Director of Finance  
Tel: 0207 527 5636  
Email: [Paul.Clarke@islington.gov.uk](mailto:Paul.Clarke@islington.gov.uk)

Legal Implications Author: David Daniels, Assistant Director of Law  
Tel: 0207 527 3277  
Email: : [david.daniels@islington.gov.uk](mailto:david.daniels@islington.gov.uk)

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