Risk Management Update - Assurance Map

Ward(s):   All

Portfolios: All

Purpose: For Information

1.   Aim

This purpose of this report is to update Audit Committee with regards to recent risk management activity, and the development of an Assurance Map for the Strategic Risk Register (SRR).

2.   Summary

2.1   Recent risk management activity has been carried out to compile the Assurance Map and ensure it takes account of the council's current assurance sources in relation to the Strategy.

2.2   Internal Audit, together with risk champions from across the council, worked with Executive Directors and Directors to update the assurances in place.

2.3   CMT reviewed the Assurance Map at their meeting on 11th November 2021 and agreed the changes.

2.4   This mapping will feed into the Governance Framework update in readiness for preparing the 2021/22 Annual Governance Statement (AGS).

3.   Recommendations

3.1   That Audit Committee review the attached Assurance Map and identify any additional areas where systems, review processes, reporting arrangements or compliance inspections provide assurance to the council.

4.   Report detail - know

4.1   Assurance mapping is a process by which an organisation gathers the different levels of internal and external assurance required to provide assurance to the Audit Committee that it is being effectively managed.

This report seeks to collate the main assurances the council relies on in respect of its strategic risks, in a visual table or chart, to show where these assurances are received. This can then be used as a governance tool so that Directors Group (DG), Corporate Management Team (CMT) and Audit Committee can take an objective view of the council's risks and where it receives assurance on those risks or has gaps in its assurance framework.

Assurance Map

4.2   The Assurance Map shows, in diagram form, all the assurances that were documented in the Strategic Risk Register following its last update in May 2021, along with any additional assurances that have been identified by the risk champions since then.

        To date, the work done has been to capture as many of those assurances as possible. The next steps will be to evaluate the quality of those assurances. This will be done in conjunction with the risk champions, as well as through Internal Audit's existing knowledge of the council.

        For example: policies and procedures will be assessed on frequency of review, while DG/CMT oversight will be assessed on how frequently the issues appear on the meeting agenda.

        We will aim to have this completed by the end of the current financial year.

        We have adopted the three lines of defence model which acknowledges that there are different sources of assurance with different strengths. Mapping according to three lines therefore allows management to see how each source of assurance contributes to the overall level of assurance over key risks.

4.3   Audit Committee are also asked to note that this map was presented to DG and CMT for input and this version incorporates their feedback.

Governance Framework Update

4.4   Audit Committee will recall that the Framework was updated to reflect a number of additional assurances in the 2020/21 AGS. This included the council's assessment against the CIPFA Code of Financial Management. It was identified that it was timely to review elements of the Governance Framework, such as the Local Code of Governance. The review will review wider assurances, including this Assurance Mapping process, and report back to Audit Committee as part of the AGS assurance gathering and review process.

5.   **Financial Information**

5.1   There are no direct financial implications arising from this report, however effective risk management and reporting of risks supports and contributes to the delivery of good financial management.

6.   **Reducing Inequalities**

6.1   Effective governance arrangements ensure a focus on delivering of Corporate Plan objectives, a key driver of which is reducing inequalities.

7.   **Decide**

7.1   Audit Committee are asked to consider the Assurance Map and may wish to comment.

8.   Respond

8.1   Audit Committee is required to ensure that it receives reports on risk management on a regular basis and takes appropriate action to ensure that strategic business risks are being actively managed. This report enables Audit Committee to exercise its responsibilities in respect of risk management by reviewing the current assurances.

17.   Review

17.1   The Risk Management Strategy sets out the formal review and reporting points for risks throughout the year and these will continue to be followed, with feedback on the actions set out within this report incorporated into those updates.

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Draft Assurance Map for Strategic Risk Register 2021/22

Walsall Council

November 2021

Risks	Sub Processes	1st line of Defence — Operations				2nd line of Defence — Business Support Functions				2nd line of Defence — Monitoring/Controlling Functions									3rd Line of Defence — Assurance				3rd Line of Defence — Oversight	
		Strategies, Policies & Procedures	DMTs	Directors Group	Senior Managers Group	Finance	IT	HR	Legal	Statutory Officers Group	Risk Management	Performance Management Framework	Health & Safety	PMO	Data Protection / GDPR	BCM	Formal Partnership Working Arrangements	Quality / Compliance Audits	Internal Audit	External Audit	Other Regulatory Assurance Providers	Peer Reviews	Council / Cabinet	Other Committees
1. Threats to the Economic Growth of Walsall are not identified and mitigated, together with opportunities for sustainable growth being missed.		Unassessed	Unassessed							Unassessed									High					
2. The Proud Programme does not achieve the outcomes and benefits required to ensure that available resources are directed to deliver the greatest outcomes for the community.		Unassessed	Unassessed	Unassessed	Unassessed					Unassessed				Unassessed					Medium	Unassessed			Unassessed	Unassessed
3. Partnership relationships with other sectors and our major suppliers fail to deliver on shared objectives and therefore outcomes for the community.		Unassessed															Unassessed		Medium				Unassessed	Unassessed
4. The Council is unable to maintain statutory service standards to support the most vulnerable in society.	Childrens	Unassessed	Unassessed			Unassessed	Unassessed	Unassessed		Unassessed	Unassessed		Unassessed	Unassessed			Unassessed	Unassessed	High		Medium	Unassessed		
	Adults	Unassessed	Unassessed							Unassessed	Unassessed	Unassessed		Unassessed			Unassessed		High		High		Unassessed	Unassessed
5. External Changes in Political and/or legislative environment including ongoing impact of Covid-19.		Unassessed							Unassessed										High				Unassessed	
6. There is a lack of community cohesion and resilience placing increased pressure on public sector resources.		Unassessed	Unassessed									Unassessed							Medium					
7. Failure to achieve the savings required or manage demand pressures to enable a balanced budget and Medium-Term Financial Plan to be delivered.		Unassessed	Unassessed			Unassessed				Unassessed									High				Unassessed	Unassessed
8. Risk of Cyber Security attacks.		Unassessed					Unassessed								Unassessed	Unassessed			High	High	High			
9. Threats in relation to failing to comply with the legal obligations and duties of the UK GDPR regulations, the Data Protection Act 2018 and relevant legislative requirements		Unassessed							Unassessed						Unassessed									
10. Failure to deliver key services in the event of significant business interruption, including services delivered by contractors and partners		Unassessed								Unassessed				Unassessed		Unassessed								

Key

Unassessed Assurances	Grey
High Assurance	Green
Medium Assurance	Yellow
Low Assurance	Orange
No Assurance - but should be in this area	Red
Not applicable	Hatched