

To: The Audit & Risk Sub-Committee
From: The Director
Subject: Review of Strategic Risk Register

1. Introduction and Purpose

- 1.1 It is part of the Sub-Committee's remit to review the Strategic Risks at its quarterly meetings.
- 1.2 The purpose of this report is to present the Strategic Risk Register for the Sub-Committee's consideration and review.

2. Strategic Risk Register

- 2.1 The strategic risks were last reviewed by the Management Team at its April meeting. Currently there are 11 strategic risks which are ordered highest to lowest in terms of level of residual risk. A summary of the changes made by the Management Team is as follows:
 - Digital Exclusion – existing controls: add “Digital Inclusion Strategy; remove “lottery funding”; add “Tenant Scrutiny Group” ;
 - Digital Exclusion – additional controls – amend “continued development of Digital Exclusion Strategy” ;
 - Ineffective Financial Management – lead officer to change to Senior Finance Officer/Financial Consultant ;
 - Pandemic – adequacy to change to Adequate;
 - Pandemic – add existing control “ability to respond rapidly”
- 2.2 The Sub-Committee is asked to consider the Strategic Risks further and decide whether any other risks need to be added or if any amendments are required to the existing risks.

3. Risk

- 3.1 If we are not aware of the risks facing Rosehill and don't identify mitigating measures to reduce any risks, this can lead to poor decisions being made which in turn lead to ineffective governance. Not recognising and managing risks could impact on our ability to deliver our Business Plan objectives.

3.2 We have a comprehensive Risk Management Policy in place and, following last year's Internal Audit, have since developed a Risk Appetite Model. This ensures we are effectively identifying and managing risks and making appropriate decisions. Our Strategic Risks are monitored every 2 months by the Management Team, quarterly by the Audit & Risk Sub-Committee and annually by the Management Committee as part of our Business Planning processes.

4. Compliance and Assurance

4.1 By having a comprehensive Risk Management Policy in place which ensures we identify and manage risks appropriately, we are compliant with Regulatory Standards. In particular:

Standard 3

The RSL manages its resources to ensure its financial well-being, while maintaining rents at a level that tenants can afford to pay.

Guidance

3.3 The RSL has a robust business planning and control framework and effective systems to monitor and accurately report delivery of its plans. Risks to the delivery of financial plans are identified and managed effectively. The RSL considers sufficiently the financial implications of risks to the delivery of plans.

Standard 4

The governing body bases its decisions on good quality information and advice and identifies and mitigates risks to the organisation's purpose.

Guidance

4.3 The governing body identifies risks that might prevent it from achieving the RSL's purpose and has effective strategies and systems for risk management and mitigation, internal control and audit.

4.2 Evidence Bank

4.2.1 The Strategic Risk Register forms part of the evidence bank for Regulatory Standards 3 and 4, along with any associated reports and Minutes of the Audit & Risk Sub-Committee. The Sub-Committee is reminded that the Assurance Exercises are available on the Committee Area of our website.

5. Summary and Decision Required

5.1 The Strategic Risk Register was last reviewed by the Management Team in April. A summary of the main changes made is set out in Section 2 of this report.

- 5.2 The risks relating to risk management are set out in Section 3.
- 5.3 We have demonstrated our compliance with Regulatory Standards as set out in Section 4.
- 5.4 The Sub-Committee is asked to consider this report and to review the Strategic Risk Register and decide the following:
- Does the Register continue to reflect the current strategic risks facing Rosehill? If not
 - Are any new risks to be added?
 - Are any changes required to the existing risks?