

**REPORT OF THE EXECUTIVE MANAGEMENT TEAM
TO THE AUDIT AND RISK COMMITTEE**

17 November 2014

**CORPORATE RISK MANAGEMENT REPORT FOR THE PERIOD July to
September 2014**

Submitted by: Head of Business Improvement, Central Services and Partnerships

Portfolio: Communications, Policy and Partnerships

Ward(s) affected: All

Purpose of the Report

To inform Members of the progress made by the Council in enhancing and embedding risk management for the period July to September 2014, including progress made in managing identified corporate risks.

Recommendations

The Committee is asked to:-

- (a) Scrutinise the progress that has been made in managing the risks identified within the Strategic, Operational, Project and Partnership Risk Registers, where applicable**
- (b) Note the new risks that have been identified between July to September 2014**
- (c) Identify, as appropriate, individual risk profiles to be scrutinised in more detail at the next meeting of the Committee**

Reasons

The risk management process previously adopted by the Council has been reviewed to incorporate changes in the way the Council works and to provide continuity and streamlined reporting of risks to allow the process to become further embedded at each level of the authority. This will also aid the identification of key risks that potentially threaten the delivery of the Council's corporate priorities. The Risk Management Strategy provides a formal and proportionate framework to manage these identified risks and thus reduce the Council's exposure.

1. Background

- 1.1** The Council monitors and manages all its risks through the various risk profiles contained within GRACE (Governance Risk and Control Environment) – the Council's software used to record and manage risks.
- 1.2** The Council currently reviews its high (red 9) risks at least monthly and its medium (amber) risks at least quarterly.

- 1.3 The last review of these risks was reported to the Council’s Audit & Risk Committee in September 2014.
- 1.4 Risk owners are challenged by the Council’s Risk Champions in respect of the controls, further actions, ratings and emerging risks related to their risks, and are also challenged on the reasons for inclusion or non-inclusion and amendment of these.
- 1.5 Projects are managed to a high level in relation to risk and are reviewed in accordance with the Risk Management Strategy (i.e. monthly).

2. **Issues**

- 2.1 None.

3. **Strategic, Operational, Project and Partnership Risk Registers (Appendices)**

- 3.1 The Council regularly reviews and refreshes its risk registers in accordance with the Risk Management Strategy.
- 3.2 These reviews are co-ordinated by the Strategic Risk Champion who works closely with Directors, Operational Risk Champions and Risk Owners.
- 3.3 The risk map below shows the descriptions of the ratings, for ease of use.

L I K E L I H O O D	High 3	7 Amber	8 Amber	9 High Red
	Medium 2	4 Green	5 Amber	6 Amber
	Low 1	1 Green	2 Green	3 Amber
		Low 1	Medium 2	High 3
IMPACT				

- 3.4 During this quarter there have been no additional risks added of a final rating of medium (risk scores of 7 or 8) or high (risk score of 9).
- 3.5 There has however, been a reduction of one medium 8 risk in relation to fees and charges.
- 3.6 After discussion with the Executive Director – Resource and Support Services, the risk relating to fees and charges not increasing income to the council has been reduced due to an in-depth review of levels of fees and charges, using data from local authorities across the country and this has been tested against local knowledge of usage and demand to produce as realistic a set of fees and charges as possible. In addition, care has been taken to set realistic targets for income as part of the overall annual budget setting exercise.

- 3.7 Appendix A now highlights the risks that fall into the top line of the above risk map.

4. **Issues from last meeting**

None

5. **Outcomes Linked to Corporate and Sustainable Community Priorities**

- 5.1 Good risk management is a key part of the overall delivery of the Council's four corporate priorities of:

- Borough of Opportunity
- A Clean, Safe and Sustainable Borough
- A Healthy and Active Community
- Becoming a Co-operative Council, which delivers high quality, community-driven services

6. **Legal and Statutory Implications**

- 6.1 The Accounts and Audit (England) Regulations 2011, state that:

*“The relevant body **is** responsible for ensuring that the financial management of the body is adequate and effective and that the body has a sound system of internal control, which facilitates the effective exercise of that body's functions and which includes arrangements for the management of risk”*

7. **Equality Impact Assessment**

- 7.1 There are no differential equality impact issues in relation to this report.

8.1 **Financial and Resource Implications**

- 8.1 None where actions are to be taken in order to mitigate the risks as these will be met from within existing budgets. Where this is not possible, further reports will be submitted to Members.

9. **List of Appendices**

Appendix A

10. **Background Papers**

None