

BUSINESS SUPPORT

OVERVIEW AND SCRUTINY COMMITTEE

19 MARCH 2014

6 MONTHLY REVIEW OF THE COUNCIL'S CORPORATE BUSINESS RISK REGISTER

Report from: Robin Cooper, Director of Regeneration, Community & Culture and Chair of Strategic Risk Management Group

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Summary

In accordance with paragraph 4.1 of the Council's Risk Management Strategy, this report is to discuss the 6 monthly review of the Council's Corporate Business Risk Register.

1. Budget and Policy Framework

1.1 The Risk Management Strategy underpins all aspects of Council work and is fundamental to the Performance Plan in terms of "giving value for money".

2. Background

2.1 The Corporate Risk Register was last reviewed by Extended Management Team on 21 August 2013 and Cabinet on 1 October 2013. The following changes were made to the register at that time:

2.1.1 The risk rating for SR19 Economic Down-turn be reduced to B2 to reflect an improving local position e.g. unemployment dropping by 13% over the last two years.

2.1.2 The risk rating for SR13 Equalities and Diversity be reduced to C2 to reflect the indications from comments from external organisations that community relations across Medway are positive and the council has made progress in embedding Equalities and Diversity considerations across the council.

2.1.3 The MTFP includes predicted savings from BfL programme of £5.4m off the 2010/11 base by 2014/15. Delays to the delivery of the programme and deferral of work to review customer contact and

administration activity in children's care as the service responds to inspection findings mean that delivery of those savings will be over a longer time period than planned. As such it is proposed that the risk rating for SR30 Delivering Better for Less Transformation be increased to B2.

- 2.1.4 For clarity, SR 32 Outsourcing Services risk be renamed Norse Implementation.
- 2.2 Cabinet accepted the Business Support Overview and Scrutiny's recommendations that all possible future models of service delivery, for example joint services with other authorities or co-operative models, be adequately represented in the risk register.
- 2.3 It was also agreed the officers would review their risks taking account of Members of BSO&S comments that:
 - There were no monitoring measures provided in SR 26.04 – Implementation of the Children's Social Care Quality Audit Framework;
 - No one is listed as managing SR 30.02 – Detailed definition of the performance gains we expect the programme to deliver being developed;
 - The milestones/Pis in SR 21.04 – Review of procurement processes needs to be updated as it refers to a review scheduled for March 2013.

3. **Advice and analysis**

- 3.1 Risks owners have reviewed their risks and actions and updated them taking account of Member's comments detailed at 2.2 and 2.3 above and have made the following recommendations:
 - 3.1.1 SR17 Delivering Regeneration be down-graded to C2 to reflect the improving economic outlook and local property market as illustrated by Rochester Riverside site disposal.
 - 3.1.2 SR19 Downturn in the Economy be down-graded to E2 to reflect the Government's view that Nationally the economy is improving and that there is no evidence locally to show that Medway are not following that trend.
 - 3.1.3 SR22 Treasury Management be down-graded to E2 as management strategies and codes of practice make it extremely unlikely for the Council to be affected by loss of resources due to external events beyond our control.
 - 3.1.4 Appendix A provides a summary of the amendments and Appendix B the Corporate Risk Register provides the detailed information.

4. Consultation

- 4.1 The Strategic Risk Management Group and risk owners have been consulted on the proposed amendments to the risk register. Members will be consulted on the Corporate Risk Register via Overview and Scrutiny and Cabinet.
- 4.2 This report will also be considered by Cabinet on 8 April 2014.

5. Financial, legal and risk implications

- 5.1 This report brings forward the six monthly review of the Council's risk register, which is integral to the Council's approach to risk management.
- 5.2 There are no direct financial or legal implications arising from this report although clearly the inability to control or mitigate risks could have a financial or legal impact. Risk rating for this report is E3 (Likelihood: very low, Impact: Marginal).

6. Recommendation

- 6.1 Members' views are sought on the Management Team's recommendations on amendments to the Council's Risk Register as detailed in section 3 of this report and to forwarding comments to Cabinet on 8 April 2014.

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Appendices:

Appendix A - Record of Amendments
Appendix B - Corporate Business Risk Register