

**BUSINESS SUPPORT
OVERVIEW AND SCRUTINY COMMITTEE
14 APRIL 2016
6 MONTHLY REVIEW OF THE COUNCIL'S CORPORATE
BUSINESS RISK REGISTER**

Report from: Richard Hicks, Director of Regeneration, Culture, Environment and Transformation 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. This will form the basis of reports to Cabinet on 10 May 2016.

1. Budget and Policy Framework

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

2. Background

2.1 Risk management is an integral part of good governance. The council recognises that it has a responsibility to identify and manage the barriers to achieve its strategic objectives and enhance the value of services it provides to the community.

2.2 This Risk Management Strategy incorporates and:

- promotes a common understanding of risk;
- outlines roles and responsibilities across the council;
- proposes a methodology that identifies and manages risk in accordance with best practice thereby seeking to prevent injury, damage, loss and reducing the cost of risk.

2.3 The strategy is reviewed annually to ensure that it remains up-to-date and continues to reflect the council's approach to risk management.

- 2.4 The Corporate Risk Register, which accompanies the strategy, ensures that all relevant key risks are recorded and this is reviewed and managed every 6 months by both management and Members.
- 2.5 The Corporate Risk Register was last reviewed by Extended Management Team (EMT) on 22 July 2015, Business Support Overview and Scrutiny Committee on 8 October 2015 and Cabinet on 27 October 2015.
- 2.6 At that time the Cabinet agreed the following proposed amendments to the Council's Risk Register from Corporate Management Team:
- a) SR04 Performance Management and SR13 Equality and Diversity were removed from the Corporate Risk Register, as these are processes and not risks.
 - b) SR31 Public Health Transition was removed from the Corporate Risk Register as the transition has been completed successfully and services incorporated into normal business.
 - c) SR28 Better Care Fund was removed from the Corporate Risk Register and all information included in SR25 Adult Social Care Transformation.
 - d) SR32 Data and information were included in the Corporate Risk Register with a low risk scoring of DII as a result of new ways of working corporately and with partners.
- 2.7 The Cabinet also considered the recommendations from the Business Support Overview and Scrutiny Committee and agreed the following:
- a) request that the narrative for Risk SR03b (Finances) be updated to reflect the recent announcement from the Chancellor concerning local government finance allowing Councils to retain all the money they raise from Business Rates, given the uncertainties which now existed about how local government finance would be calculated.
 - b) SR17 Regeneration to include the consequences of not achieving the target of 20,000 new homes.
 - c) a Briefing Note be provided to all Members of the Business Support Overview and Scrutiny Committee on risk SR 25.01 on how the Council was ensuring that clients fully understood how to use their personal budgets and risk SR26.06 details of the projects including start and end dates.
- 2.8 The Cabinet did not agree to include a new risk of the impact of the European Union (EU) referendum.
- 3. 6 monthly review of the Council's Corporate Business Risk Register**
- 3.1 Risks owners have reviewed their risks and updated them taking account of the amendments made, as set out at paragraph 2.7 above:
- a) The narrative for Risk SR30b (Finances) has been amended

- b) SR17 Regeneration the new homes and population figures have been amended and an additional mitigating action of the Local Plan has been added.
- c) Briefing notes on risk SR25.01 and SR26.06 have also been completed.

3.2 Extended Management Team (EMT) reviewed these amendments and additional proposals on 27 January 2016 and changes to the Risk Register are detailed in Appendix A and B (additions/amendments are highlighted grey):

3.2 The meeting discussed and agreed that an additional risk on 'Welfare reform' be added to the Corporate Risk Register at SR33 with a risk score of DII.

3.3 It is noted that during the discussion at the Business Support Overview and Scrutiny Committee in October 2015 comment was made that the description of catastrophic risks as also being "showstoppers" was inappropriate and unhelpful. It has however been agreed to leave "showstopper" as an aid to understanding.

3.4 The Overview and Scrutiny Committee also sought clarification on the respective roles of the Business Support Overview and Scrutiny Committee and the Audit Committee regarding risk management. Members are advised that the role of Overview and Scrutiny Committee is to scrutinise how risk management is working in the council and challenge specific risks and their ratings, whilst Audit Committee is concerned with the framework and controls for risk management and have a specific role to seek assurances that there are adequate controls in place to mitigate key risks and that the Council is operating effectively.

4. Consultation

4.1 Risk owners have been consulted on the proposed amendments to the risk register. Extended Management Team reviewed these amendments on 27 January 2016. Members will be consulted on the Corporate Risk Register via Business Support Overview and Scrutiny Committee on 14 April 2016 and Cabinet on 10 May 2016.

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.

6. Recommendations

6.1 Members' views are sought on Extended Management Team's recommendations on amendments to the Council's Risk Register as detailed in section 3 of this report and Appendices A and B.

6.2 Members are asked to recommend that the revised Risk Register be submitted to Cabinet on 10 May 2016 for final approval.

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Appendices: Appendix A – Record of Amendments
 Appendix B – Corporate Business Risk Register

Background papers

None