

BUSINESS SUPPORT OVERVIEW AND SCRUTINY COMMITTEE

4 APRIL 2019

SIX MONTHLY REVIEW OF THE CORPORATE RISK REGISTER

Report from: Phil Watts, Chief Finance Officer and Chair of Strategic Risk Management Group

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Summary

In accordance with the Council's Risk Management Strategy, this report presents the latest six monthly review of the Corporate Risk Register. Following scrutiny by Business Support Overview and Scrutiny, this report will be presented to Cabinet 11 June 2019.

1. Budget and Policy Framework

1.1. The Cabinet as a whole has responsibility to ensure the effective operation of risk management in the Council.

2. Background

2.1. Risk management is a process which aims to help the Council understand, evaluate and take action on all their risks. It supports effective decision making, identification of priorities and objectives and increases the probability of success by making the most of opportunities and reducing the likelihood of failure.

2.2. 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. The Council's 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 and loss.

2.3. The Corporate Risk Register, which accompanies the strategy, ensures that all relevant key risks are recorded and this is currently reviewed and managed every six months by both management and Members.

3. Advice and analysis

- 3.1. On 20 November 2018 Cabinet reviewed the last six monthly update of the Corporate Risk Register, the first presented in the new template, and agreed the recommendation from Business Support Overview and Scrutiny Committee to add the risk of Cybersecurity to the Corporate Risk Register.
- 3.2. Risk owners have reviewed and updated their risks with the revised register presented at Appendix 1 to this report. No risks are proposed to be removed through this review, however this register includes the new Cyber security risk prepared in response to the Cabinet decision; this is presented as SR37 in Appendix 1.
- 3.3. Following a recommendation from the Regeneration, Culture, Environment and Transformation Directorate Management Team, the Strategic Risk Management Group and Corporate Management Team have also reviewed a new risk on the Transfer of the Council's Waste Contract to Medway Norse; this is presented as SR38 in Appendix 1.
- 3.4. At present, Council Plan performance monitoring and the Revenue and Capital Budget monitoring reports are all produced on a quarterly basis, while the updates of the Corporate Risk Register are currently only produced every six months. It is proposed that to facilitate understanding of the council's performance in the round and to support decision making, from 2019/20, updates of the corporate risk register will be brought into line with the performance and budget monitoring reports, being produced and reported on a quarterly basis.

4. Consultation

- 4.1. Updates to the Corporate Risk Register have been provided by risk owners and the revised register has been discussed with the Strategic Risk Management Group and Corporate Management Team. Members are being consulted with both via this committee and Cabinet in June 2019.

5. Financial, legal and risk implications

- 5.1. There are no financial, legal or risk management implications arising from this report; where there are implications these are identified within the Corporate Risk Register.

6. Recommendations

- 6.1. The Committee is asked to:
 - a) review the amended Corporate Risk Register presented at Appendix 1 and consider whether any further changes are required or whether any risks should be added or removed;
 - b) agree submission of the Corporate Risk Register to Cabinet on 11 June 2019, and;

- c) note that from 2019/20, updates to the Corporate Risk Register will be produced every quarter.

Lead officer contact

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Appendices:

Appendix 1 – Corporate Risk Register (February 2019)

Background papers

Corporate Risk Management Strategy approved by Cabinet November 2018:
<https://democracy.medway.gov.uk/mgconvert2pdf.aspx?id=44495>