

CORPORATE RISK REGISTER UPDATE

To: **General Purposes Committee**

Date: **2nd February 2016**

From: **Director of Customer Services & Transformation**

Electoral division(s): **All**

Forward Plan ref: **Not applicable** *Key decision:* **No**

Purpose: **To provide the General Purposes Committee with details of the current status of corporate risk.**

Recommendation: **It is recommended that the General Purposes Committee notes the position in respect of corporate risk.**

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1. BACKGROUND

1.1 In accordance with best practice the Council operates a risk management approach at corporate and directorate levels across the Council seeking to identify any key risks which might prevent the Council's priorities, as stated in the Business Plan, from being successfully achieved.

1.2 The risk management approach is encapsulated in 2 key documents:

- Risk Management Policy

This document sets out the Council's Policy on the management of risk, including the Council's approach to the level of risk it is prepared to countenance as expressed as a maximum risk appetite. The Risk Management Policy is owned by the General Purposes Committee.

- Risk Management Procedures

This document details the procedures through which the Council will identify, assess, monitor and report key risks. Risk Management Procedures are owned by Strategic Management Team (SMT).

1.3 The respective roles of the General Purposes Committee and the Audit and Accounts Committee in the management of risk are:

- The General Purposes Committee has an executive role in the management of risk across the Council in its role of ensuring the delivery of priorities.
- The Audit and Accounts Committee provides independent assurance of the adequacy of the Council's risk management framework and the associated control environment.

1.4 The Corporate Risk Register was reviewed by SMT on 16 November 2015.

1.5 This report is supported by:

- The Corporate Risk Profile (Appendix 1)
- Corporate Risk Register extract (Appendix 2)

2. CORPORATE RISK REGISTER

2.1 Following the review of corporate risk by SMT on 16 November, SMT is confident that the Corporate Risk Register is a comprehensive expression of the main risks faced by the Council and that mitigation is either in place, or in the process of being developed, to ensure that each risk is appropriately managed.

This meeting of SMT, informed by the work of the Council's Corporate Risk Group, discussed and agreed a number of updates to the Corporate Risk Register:

- *'Failure to address inequalities in the county'* is added to the Register. This risk is currently included in the Public Health Risk Register. However, health inequality and inequalities more generally are a cross-cutting issue, with determinants that could be related to the full range of Council services and with consequences that could impact across the Council. As a result, Public Health Quality, Safety and Risk Group and Public Health Directorate Management Team proposed that the risk on either health inequalities or wider inequalities should be added to the corporate risk register. This recommendation was taken to Health Committee who agreed that the Public Health Directorate contribution to addressing the wider determinants of health inequalities was limited in scope, and therefore an addition to the corporate risk register regarding wider inequalities across the county should be proposed.
- *'Failure to deliver Waste savings/opportunities and achieve a balanced budget'* is added to the Register.

2.2 Following the review of the CRR by Group Leaders on 7th January the following changes were proposed.

- Risk 9: *'Failure to secure funding for infrastructure'* Action 9. Councillor Count had raised at GPC meeting a question around the New Communities and that the CFA led document was disconnected from the new communities work on the 'harder' infrastructure side and that we needed these linking together and to be a whole council response.

This will be discussed at the next Corporate Risk Group on 3rd February and GPC will be updated following the meeting.

- Risk 27: *'The Pension Fund is materially under-funded'* The risk description to be re-worded to say The Pension Fund has the potential to become materially under-funded.
- Risk 29: *'Failure to address inequalities in the county'* Councillor Count requested more actions against this risk.

This will be discussed at the next Corporate Risk Group on 3rd February and GPC will be updated following the meeting.

2.3 **Appendix 2** shows the profile of Corporate Risk against the Council's risk scoring matrix and illustrates that there are three red residual risks. Risk 1a *'Failure to produce a robust and secure Business Plan over the next five years'*, Risk 1b *'Failure to deliver the current 5 year Business Plan'*, and Risk 9 *'Failure to secure funding for infrastructure'* remains unchanged from the previous report to the Committee.

3. ALIGNMENT WITH CORPORATE PRIORITIES

3.1 Risk management seeks to identify and to manage any risks which might prevent the Council from achieving its three priorities of:

- Developing the local economy for the benefit of all
- Helping people live healthy and independent lives
- Supporting and protecting vulnerable people

4. SIGNIFICANT IMPLICATIONS

4.1 Resource Implications

Effective risk management should ensure that the Council is aware of the risks which might prevent it from managing its finances and performance to a high standard. The Council is then able to ensure effective mitigation is in place to manage these risks.

4.2 Statutory, Risk and Legal Implications

The Risk Management process seeks to identify any significant risks which might prevent the Council from achieving its plans as detailed in the Council's Business Plan or from complying with legislative or regulatory requirements. This enables mitigation to be designed to control each risk, either to prevent the risk happening in the first place or if it does to minimise its impact on the Council.

4.3 Equality and Diversity Implications

There are no significant implications within this category.

4.4 Engagement and Consultation Implications

The Corporate Risk Register has been subject to review by the Officer Risk Champions Group and Strategic Management Team

4.5 Localism and Local Member Involvement

There are no significant implications within this category.

4.6 Public Health Implications

There are no significant implications in respect of Public Health.

Source Documents	Location
Corporate Risk Register	Internal Audit and Risk Management