

**CORPORATE RISK REGISTER UPDATE**

*To:* **General Purposes Committee**

*Meeting Date:* **31st May 2016**

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

*Electoral division(s):* **All**

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

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

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

<b><i>Officer contact:</i></b>	
Name:	Duncan Wilkinson
Post:	LGSS Head of Internal Audit
Email:	<a href="mailto:Duncan.Wilkinson@Milton-keynes.gov.uk">Duncan.Wilkinson@Milton-keynes.gov.uk</a>
Tel:	01908 252089

## **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 two 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 (GPC) 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 May 2016.

1.5 This report is supported by:

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

## **2. SIGNIFICANT CHANGES TO THE CRR FOR GPC TO REVIEW**

2.1 Following the review of corporate risk by SMT on 16 May, 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:

Risk 15, *'Failure of the Council's arrangements for safeguarding vulnerable children and adults'* has had a thorough refresh to make the content more dynamic in response to emerging/changing risks and issues.

Risk 28, 'Lack of capacity to respond to rising demand for service provision' has been removed and replaced with two new risks covering two urgent demand issues, Risk 31, *'Insufficient availability of affordable Looked After Children (LAC) placements'* and risk 32, *'Insufficient availability of care services at affordable rates'*.

- 2.2 **Appendix 1** 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. **FEEDBACK ON COMMENTS FROM GROUP LEADERS MEETING ON 28TH APRIL**

- 3.1 Group Leaders discussed issues raised concerning Risk 21: 'Business Disruption', specifically trigger 6 'Flu pandemic'. Public Health colleagues clarified that the reason why Flu Pandemic is a risk is that to date Pandemic Influenza has taken away the most number of lives in the UK. We still do not know when influenza will happen, where or what strain of the virus will present itself as attack rates by age and mortality depend on the circulating strains.
- 3.2 Group Leaders requested that the risk relating to Flu pandemic and our staff be picked up under Risk 21 Action 13 *'Review of Corporate Business Continuity Plan'*. Subsequently it has been confirmed that loss of staff is one of the main scenarios services are asked to address in their business continuity plan and pandemic is highlighted as one of the major potential impacts.
- 3.3 Importantly our Business Continuity process requires services to identify their Critical Functions - those functions that must be delivered during such business disruption.

### 4. **ALIGNMENT WITH CORPORATE PRIORITIES**

- 4.1 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

## **5. SIGNIFICANT IMPLICATIONS**

### **5.1 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.

### **5.2 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.

### **5.3 Equality and Diversity Implications**

There are no significant implications within this category.

### **5.4 Engagement and Consultation Implications**

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

### **5.5 Localism and Local Member Involvement**

There are no significant implications within this category.

### **5.6 Public Health Implications**

There are no significant implications within this category.

<b>Source Documents</b>	<b>Location</b>
Corporate Risk Register	Internal Audit and Risk Management OCT1108