

**CORPORATE RISK REGISTER UPDATE**

**To:** General Purposes Committee

**Date:** 19th May 2015

**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 2nd March 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 2nd March, 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.

2.2 Appendix 1 shows the profile of Corporate Risk against the Council's risk scoring matrix and illustrates that there are 2 red residual risks. Firstly, Risk 9, '*Failure to secure funding for infrastructure*' remains unchanged from the previous report to the Committee. The red rating of this risk reflects the significant reduction in

central Government funding for school infrastructure.

- 2.3 Secondly, the risk score for Risk 1a, remains unchanged from the previous report to the Committee. The description for this risk has been reworded to '*Failure to deliver a robust and secure Business Plan over the next 5 years.*' The description of this risk and mitigating actions will be further reviewed during the first quarter of the new financial year to better reflect the new Council operating model.
- 2.4 Subject to SMT approval on the 11th May the Corporate Risk Group proposed that Risk 25 '*Failure to effectively implement the Council's new governance arrangements*' be removed from the Corporate Risk Register because the results of the 6-month review were presented to Council in March and the Constitution and Ethics Committee will continue to review the new governance arrangements.
- 2.5 The extracts from the CRR are attached at **Appendix 2.**

### **3. ALIGNMENT WITH PRIORITIES AND WAYS OF WORKING**

- 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 in their communities
  - Supporting and protecting vulnerable people when they need it most

### **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**

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**

There are no significant implications in respect of Public Health.

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