

CORPORATE RISK REGISTER UPDATE

To: **General Purposes Committee**

Meeting Date: **20th September 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 12 August 2016.

1.5 This report is supported by:

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

2. CHANGES TO THE CRR FOR GPC TO REVIEW

2.1 Following the review of corporate risk by SMT on 12 August, 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 22: The Cambridgeshire Future Transport programme fails to meet its objectives within the available budget

The risk description has been changed to 'The Cambridgeshire Total Transport programme fails to meet its objectives within the available budget'.

Risk 30: Failure to deliver Waste savings / opportunities and achieve a balanced budget

The trigger has been updated from failure to:

- 1) deliver Household Recycling Service savings,
- 2) realise savings opportunities from waste contracts
- 3) manage operational risk of unforeseen contractual events

To:

1. Failure to realise Waste PFI contract opportunities (eg. Reduce cost of CLO and increase income from TPI) and manage operational risk of unforeseen contractual events (eg. Wet IVC waste) leading to significant budget pressures.

- 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. SIGNIFICANT DEVELOPMENTS PROPOSED FOR 2016/17 FOR GPC TO NOTE

- 3.1 A significant development for 2016/17 will be the implementation of an online risk management system 'Grace' (Governance, Risk and Control Evaluation) across the Council. This will ensure that the Council continues to receive effective support in the facilitation and co-ordination of risk management, and that it is better aligned with best practice from Northamptonshire County Council and Milton Keynes Council (reflecting that our risk management is led and coordinated through LGSS). Both SMT and Audit & Accounts Committee have been fully supportive of this new planned approach to risk management, which is also in line with the principles of more streamlined 'corporate' services.

Advantages of the system:

- It will assist us to fulfil our statutory and organisational risk management obligations
- Provides access to clear management information
- It quickly and easily records risk reviews
- There is a clear audit trail and has a secure version control
- Provides real-time view of all the organisation's risk registers
- Increased awareness of risks
- It encourages sharing of best practice
- It provides a corporate view of the risks in the organisation
- It will reflect the Council structure
- It will be tailored to our language and approach
- It has a suite of reports that are user friendly

- Ad hoc reports can be produced with user defined parameters
- It produces overdue risk review reminders

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

There are no significant implications within this category.

5.2 Statutory, Risk and Legal Implications

There are no significant implications within this category.

5.3 Equality and Diversity Implications

There are no significant implications within this category.

5.4 Engagement and Consultation Implications

There are no significant implications within this category.

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.

Implications	Officer Clearance
Have the resource implications been cleared by Finance?	Yes Name of Financial Officer: Sarah Heywood
Has the impact on Statutory, Legal and Risk implications been cleared by LGSS Law?	N/A
Are there any Equality and Diversity implications?	Yes Name of Officer: Dan Thorp
Have any engagement and communication implications been cleared by Communications?	Yes Name of Officer: Mark Miller
Are there any Localism and Local Member involvement issues?	Yes Name of Officer: Dan Thorp
Have any Public Health implications been cleared by Public Health	Yes Name of Officer: Liz Robin

Source Documents	Location
Corporate Risk Register	Internal Audit and Risk Management OCT1108