

**CORPORATE RISK REGISTER UPDATE**

*To:* **General Purposes Committee**

*Date:* **27th January 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**

| <b><i>Officer contact:</i></b> |  |
|--------------------------------|--|
| Name:                          | Jonathan Idle  |
| Post:                          | LGSS Head of Internal Audit  |
| Email:                         | <a href="mailto:jonathan.idle@cambridgeshire.gov.uk">jonathan.idle@cambridgeshire.gov.uk</a> |
| Tel:                           | 01223 715317   |

## 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.

## 2. CORPORATE RISK REGISTER

2.1 Following the review of corporate risk by SMT on 12th January, 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 General Purposes Committee on 7th October 2014. The red rating of this risk reflects the significant reduction in central Government funding for school infrastructure. The extract from the Corporate Risk Register is attached at **Appendix 2**.

2.3 Secondly, Risk 1a, 'Failure to effectively plan how the Council will deliver services over the 5 year Business Plan' has been increased to a red residual level due to the current budget situation.

- 2.4 A new risk regarding the 'Increasing manifestation of Busway defects' (Risk 26) as requested by the General Purposes Committee on 7th October has been included on the updated CRR.

### **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
- 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**

Not directly applicable.

#### **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 |