

FINANCE AUDIT AND RISK COMMITTEE
17 December 2018

PUBLIC DOCUMENT

TITLE OF REPORT: RISK MANAGEMENT UPDATE

REPORT OF: THE SERVICE DIRECTOR: RESOURCES

EXECUTIVE MEMBER: COUNCILLOR JULIAN CUNNINGHAM

COUNCIL PRIORITY: PROSPER AND PROTECT / RESPONSIVE AND EFFICIENT

1. EXECUTIVE SUMMARY

To provide the Committee with an update on the Corporate risks, and that there are no proposed changes to these risks.

2. RECOMMENDATIONS

- 2.1 That the Committee notes that there are no changes to the Corporate risks for the Quarter

3. REASONS FOR RECOMMENDATIONS

- 3.1 The responsibility for ensuring the management of the risks is that of Cabinet.
- 3.2 This Committee has responsibility to monitor the effective development and operation of risk management.

4. ALTERNATIVE OPTIONS CONSIDERED

- 4.1 There are no alternative options that are applicable

5. CONSULTATION WITH RELEVANT MEMBERS AND EXTERNAL ORGANISATIONS

- 5.1 Consultation has been undertaken with SMT and the Risk Management Group (this includes the Executive Member for Finance and IT as Risk Management Member 'champion') and these recommendations were supported. Lead Officers discuss these risks with the relevant Executive Member.

6. FORWARD PLAN

- 6.1 This report does not contain a recommendation on a key decision and has not been referred to in the Forward Plan.

7. BACKGROUND

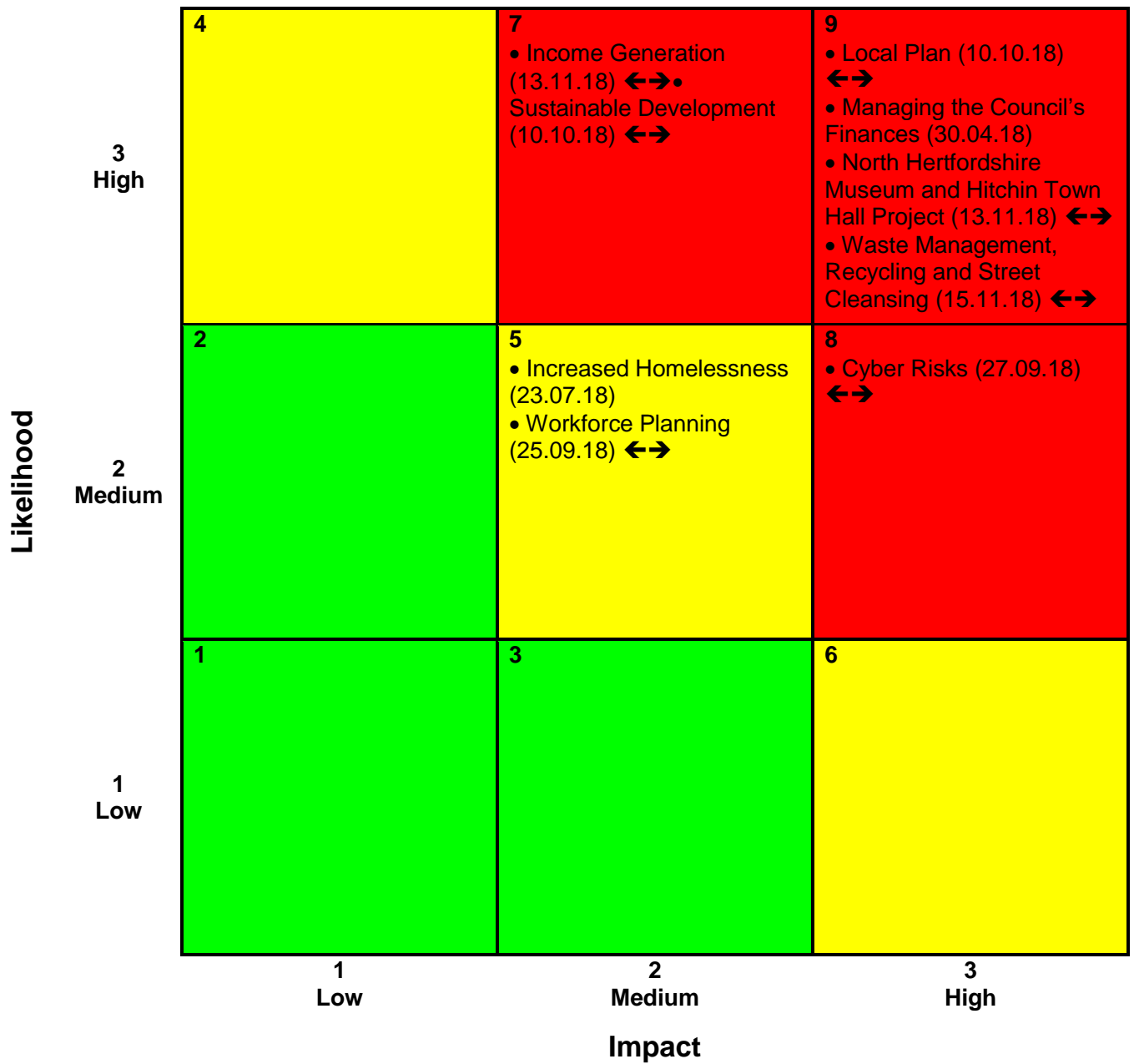
- 7.1 At the September meeting of the Finance, Audit and Risk Committee the following changes to the Corporate risks were approved and referred on to Cabinet. These were subsequently approved by Cabinet.
- The deletion of the Office Accommodation Risk TR51
 - The creation of a new Waste Parent Risk RRNEW 1 with a Risk score of 8.
 - The deletion of Waste Sub risks RR287 / RR424 / RR455 / TR59 / TR59.001/ TR59.002 / TR59.004 / TR59.005 /TR59.006
 - The amendments to Waste sub risk TR59.007 Sale of Materials, to include an increase in the risk score from an 8 to a 9.
 - The creation of a new Waste risk – RRNEW2 Route Optimisation of Collection Rounds with a risk score of 7.

8. RELEVANT CONSIDERATIONS

8.1 Corporate Risks

- 8.1.1 The Corporate Risks summarised in Table 1 have been reviewed and agreed by SMT. Members are able to view the current risk descriptions on Pentana ,the Council's performance and risk management software. Although a number of risks were reviewed by Officers and the Risk Management Group, there are no proposed changes to the Corporate risk scores in this update. Table 1 shows the last date that each Corporate risk was reviewed by the risk owner.
- 8.1.2 The Income Generation risk was discussed at the Risk Management Group, and a revised summary of this risk is provided at Appendix A. This summary has been updated to include the appropriate mitigation activities required. It also shows that Opportunities are as important as Risks, and that the biggest issue is likely to be missing an opportunity.

Table 1: Risk and Opportunities Matrix – No Proposed Changes



9. LEGAL IMPLICATIONS

- 9.1 The Committee's Terms of Reference include "to monitor the effective development and operation of risk management and corporate governance, agree actions (where appropriate) and make recommendations to Cabinet." This report gives the Committee the opportunity to review and comment on the high level Risks and how they are proposed to be managed.

10. FINANCIAL IMPLICATIONS

- 10.1 There are no direct financial implications from this report.

11. RISK IMPLICATIONS

- 11.1 The Risk & Opportunities Management Strategy requires the Finance Audit & Risk Committee to consider regular reports on the Council's Corporate Risks. Failure to provide the Committee with regular updates would be in conflict with the agreed Strategy and would mean that this Committee could not provide assurances to Cabinet that the Council's identified Corporate Risks are being managed.

12. EQUALITIES IMPLICATIONS

- 12.1 In line with the Public Sector Equality Duty, public bodies must, in the exercise of their functions, give due regard to the need to eliminate discrimination, harassment, victimisation, to advance equality of opportunity and foster good relations between those who share a protected characteristic and those who do not.
- 12.2 Reporting on the management of risk provides a means to monitor whether the council are meeting the stated outcomes of the district priorities, its targets or delivering accessible and appropriate services to the community to meet different people's needs. The risks of NHDC failing in its Public Sector Equality Duty are recorded on the Risk Register. The Council's risk management approach is holistic, taking account of commercial and physical risks. It should also consider the risks of not delivering a service in an equitable, accessible manner, and especially to its most vulnerable residents such as those who are homeless

13. SOCIAL VALUE IMPLICATIONS

- 13.1 The Social Value Act and "go local" policy do not apply to this report.

14. HUMAN RESOURCE IMPLICATIONS

- 14.1 There are no direct Human Resource implications arising from this report, but it should be noted that there is a separate Corporate Risk relating to Workforce Planning.

15. APPENDICES

- 15.1 Appendix A- Summary of Income Generation Risk

16. CONTACT OFFICERS

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17. BACKGROUND PAPERS

- 17.1 The risks held on Pentana the Council's Performance and Risk Management IT system.