

FINANCE AUDIT AND RISK COMMITTEE

21 SEPTEMBER 2017

***PART 1 – PUBLIC DOCUMENT**

AGENDA ITEM No.

15

TITLE OF REPORT: RISK MANAGEMENT UPDATE

REPORT OF THE HEAD OF FINANCE, PERFORMANCE & ASSET MANAGEMENT
EXECUTIVE MEMBER: COUNCILLOR JULIAN CUNNINGHAM
COUNCIL PRIORITY: PROSPER AND PROTECT / RESPONSIVE AND EFFICIENT

1. EXECUTIVE SUMMARY

- 1.1 To provide the Committee with an update on the management of the Corporate risks.

2. RECOMMENDATIONS

- 2.1 That the Committee notes the report.

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 Councillor Julian Cunningham 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 June meeting of the Finance, Audit and Risk Committee the following were referred to Cabinet for approval:

- The Annual Risk Report
- A further reduction in the likelihood of the “Increased Homelessness and use of B&B” risk
- A reduction in the likelihood of “Office Accommodation” risk, and
- A reduction in the likelihood of the “Sale of Materials” risk, as a Waste and Street Cleansing Contract Renewal sub risk

8. RELEVANT CONSIDERATIONS

8.1 The Corporate Risks summarised in Table 1 have been reviewed and agreed by SMT. Members are able to view the current risk descriptions on Covalent, the Council’s performance and risk management software.

Likelihood	3 High	4	7 • Income Generation Projects • Sustainable Development (2 x Sub Risks)	9 • Local Plan • Managing the Council’s Finances • North Hertfordshire Museum and Hitchin Town Hall Project
	2 Medium	2	5 • Increased Homelessness and Use of B&B • Office Accommodation • Workforce Planning	8 • Cyber Risks • Waste and Street Cleansing Contract Renewal (8 x Sub Risks)
	1 Low	1	3	6
		1 Low	2 Medium	3 High
		Impact		

- 8.2 Although a number of risks were reviewed by Officers and the Risk Management Group, there are no proposed changes to the Corporate risks in this update.

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 have they have and are proposed to be managed.

10. FINANCIAL IMPLICATIONS

- 10.1 Any additional resources to complete risk management actions are included in the Corporate Business Planning process. 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 Top / 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 None.

16. CONTACT OFFICERS

Rachel Cooper
Controls, Risk & Performance Manager
rachel.cooper@north-herts.gov.uk
01462 474606

Ian Couper
Head of Finance, Performance & Asset Management
ian.couper@north-herts.gov.uk

17. BACKGROUND PAPERS

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