Committee:	Executive	Agenda Item No.:	12.
Date:	4th April 2011	Status	Open
Category	3. Part of the Budget and Policy Framework		
Subject:	Risk Register Review		
Report by:	Director of Resources		
Other Officers Involved	Business Risk Group, Senior Management Team, Heads of Service and Senior Technical Officer		
Director	Director of Resources		
Relevant Portfolio Holder	Councillor A. Hodkin, Portfolio Holder for Resources and Efficiency Champion		

RELEVANT CORPORATE AIMS

CUSTOMER FOCUSED SERVICES – Providing excellent customer focused services
STRATEGIC ORGANISATIONAL DEVELOPMENT – Continually improving our organisation.

By adopting a corporate approach to risk management, the Council minimises potential difficulties that could impact upon its abilities to deliver Customer Focussed Services.

TARGETS

A priority identified in the Corporate Plan is to ensure that all Strategies and Plans have robust monitoring, assessment and review functions

VALUE FOR MONEY

Proactive risk management avoids unnecessary expenditure in resolving issues that could otherwise be avoided or minimised by forward planning.

1. This report updates Members on progress with Risk Management relative to the previous report. In particular it provides details of the latest review of both Operational and Strategic Risk Registers.

2. The Business Risk Group has continued to meet during 2010/11 on a regular basis and made use of the Council's new insurance broker (AON) for advice etc.

3. Managers are periodically requested to update the Master Risk Register to ensure their operational risk assessments correspond with the master register. As a result of this review the table below shows the changes in identified risks over this period which now incorporates the split to each of the 3 scrutiny committees.

Previously Reported	ALL RISKS	Current Assessment	Improvement	Safe & Inclusive	Sustainable Communities
217	TOTAL IDENTIFIED RISKS	213			
190	Total Operational risks	186	84	44	58
3	➢ New risks	13	13	0	0
10	➢ Amended risks	39	8	6	25
34	➢ Deleted risks	17	9	0	8
27	Total Strategic risks	27	-	-	-
0	➢ Amended risks	1	-	-	-

	'RESIDUAL' SCORE >=8			Appendix 1	
31	Not yet completed (NYC)	31			
22	Operational risks	22	1	7	14
5	➢ Amended risks	12	0	3	9
9	Strategic risks	9	-	-	-

	PARTNERSHIPS				
35	Partnership Risks - Operational	32	14	2	16
1	Partnership Risks - Strategic	2	-	-	-
7	Residual >=8 (NYC)	7	0	1	6
7	Operational risks	7	0	1	6
1	➢ Amended risks	6	0	1	5

	PROJECTS				
29	Project Risks - Operational	45	9	4	32
1	Project Risks - Strategic	1	-	-	-
4	Residual >=8 (NYC)	7	0	2	5
4	Operational risks	7	0	2	5
0	➢ Amended risks	3	0	2	1

	HEALTH & SAFETY				
37	Health & Safety - Operational	35	14	16	5
2	Health & Safety - Strategic	2	-	-	-
4	Residual >=8 (NYC)	4	0	1	3
4	Operational risks	4	0	1	3
1	➢ Amended risks	3	0	0	3

4. To assist in embedding risk management, monitoring takes place for any risks with an "initial" risk score of 8 or more where assessments focus on mitigating the risks and reduce the residual scores. If the residual scores remain at 8 or more they will continue to be reported but if following completion of appropriate actions the residual score reduces below 8 they will no longer be reported to Members, but remain on the Master Risk Register.

5. To assist Members in monitoring progress Appendix 1 contains the revised risk register where the residual score is 8 or more, where not yet completed, and shading to highlight any risks where changes have taken place since the last update. The "Comments" column is used to provide brief updates of progress on individual risks for Members.

6. Risks are also split by categories, these being partnerships, projects and health & safety risks which are also shown in the table.

7. Summary of new risks – The above table shows there are 13 new risks. All these risks are below the initial score of 8 threshold and therefore do not appear on the appendix, however they can be summarised as follows:

   ➢ 1 x CEPT – Staff not undertaking mandatory corporate training.
   ➢ 7 x Apprenticeship Scheme – partnership issues, training costs and lack of placements.
   ➢ 2 x HR / Payroll – Using own vehicle without adequate insurance, inconsistent implementation of polices and procedures.
   ➢ 2 x ICT – Increased cost due to joint working.
   ➢ 1 X LSP – Inappropriate handling of cross agency data.

8. Summary of deleted risks – Of the 17 deleted risks in the above table, 5 had residual scores of 8 or more. This comprised of:

   ➢ 1 x ICT – Duplication of risk
   ➢ 3 x Regeneration – either not relevant or completed leaving a residual score less than 8.
   ➢ 1 x CSP – No violent attacks on Contact Centre staff over the previous 4 years – risk tolerable, therefore removed.

   The remaining 12 deleted risks had residual scores of below 8, which were either now not relevant, completed leaving a score of nil, or risks considered tolerable.

9. In addition to the risks detailed in the attached appendix, SMT are considering the risks associated with the Strategic Alliance. At this early stage of the process the risks are associated with its failure, capacity to undertake the changes required and the morale of the staff. The impact is scored at 4 and the likelihood being 3, giving a risk score of 12. The agreement is to be formulated and the key posts filled. This risk will be considered in more detail in the next report.

10. This report has been presented to the Audit Committee and to all 3 scrutiny committees.

IMPLICATIONS

Financial : All costs associated with the introduction of the risk management strategy and the development of strategic and operational risk registers will be accommodated within existing budgets. Following further assessment of risks with an "initial" score of 8 or more it may be necessary to seek budgetary approval to undertake action to mitigate certain risks. All issues of this nature will be the subject of future reports to Members.

Legal : None

Human Resources : Officer and Member time to support and embed a risk management culture within the Council.

RECOMMENDATION

That the contents of the report be noted.

REASON FOR DECISION TO BE GIVEN IN ACCORDANCE WITH THE CONSTITUTION

Ongoing monitoring of risk is good practice and the sharing of the review accords with good governance.

ATTACHMENT: **Strategic and Operational Risk register extracts**
FILE REFERENCE:
SOURCE DOCUMENT: Risk Management Strategy