Report of: Borough Treasurer

Relevant Managing Director: Managing Director (People and Places)

Relevant Portfolio Holder: Councillor D Westley

Contact for further information: Mrs Natasha Bryan (Extn. 5098)
                                   (E-mail: natasha.bryan@westlancs.gov.uk)

SUBJECT: RISK MANAGEMENT

Borough Wide Interest

1.0   PURPOSE OF THE REPORT

1.1   To set out details on the Key Risks facing the Council and how they are being managed.

2.0   RECOMMENDATION

2.1   That the progress made in relation to the management of the risks shown in the Key Risks Register (Appendix A) be noted and endorsed.

3.0   BACKGROUND

3.1   Risk management is not about being 'risk averse' – it is about being 'risk aware'. Risk is ever present and some amount of risk taking is inevitable if the Council is to achieve its objectives. Risk Management is about effectively managing risks that could affect the Council and/ or the community. It is also about making the most of opportunities and achieving objectives. By being 'risk aware' the Council is in a better position to avoid threats and take advantage of opportunities.

3.2   It is a best practice requirement that the Risk Management Policy and Strategy and the Key Risks Register are reviewed and reported to Members on a regular

basis. Risk Management reports have been submitted to Cabinet bi-annually over the last couple of years.

3.3   Key Risks are defined as the highest priority risks that may prevent the Council from achieving its priorities / objectives or may result in the failure of a service, or the failure to comply with legislation. The Key Risks Register gives a summary of these risks and the work that is being undertaken to mitigate them, although many of these risks will have already been the subject of separate committee reports. In addition each Service maintains its own risk register of the specific risks that they face.

4.0   CURRENT SITUATION

4.1   The Risk Register attached (Appendix A) shows the current Key Risks and the measures in place to manage those risks.

4.2   Some of the key risks and changes in the register are as follows:

- ICT Infrastructure Development – This is a new risk in relation to the end of life of certain ICT systems or software. It highlights some of the potential issues such as loss of data, resource implications etc. This risk will be addressed within the draft ICT strategy currently being considered by Heads of Service.

- Loss of Personal Data – The action plan to develop the Data Protection framework has now largely been completed.

- Achieving a balanced budget position for 2015/16 – The MSR report to Council in July 2013 set out how a balanced budget for 2014/15 will be achieved but the on-going reductions in Government funding means that there is a longer term financial risk facing the Council.

4.3   There are no risks that have been assessed in the "very concerned" category that would require urgent action at the highest level to reduce the risk to an acceptable position. There are a number of risks in the "concerned" or "uneasy" category but this is largely due to external factors that are not within the direct control of the Council.

5.0   NEXT STEPS

5.1   The Risk Management Framework continues to operate effectively. Training and development for officers has been provided and the Risk Management Working Group continues to meet on a regular basis. A detailed review of the operation of this framework will be reported to Audit and Governance Committee in January 2014. This report will also consider whether any changes are necessary to the Risk Management Policy and Strategy.

6.0   SUSTAINABILITY IMPLICATIONS/COMMUNITY STRATEGY

6.1 There are no significant sustainability impacts associated with this report and, in particular, no significant impact on crime and disorder. The report has no significant links with the Sustainable Community Strategy.

7.0 FINANCIAL AND RESOURCE IMPLICATIONS

7.1 The successful management of the key risks facing the Council will ensure that resources are used effectively and efficiently.

8.0 RISK ASSESSMENT

8.1 The continued identification and review of key risks is essential to ensure the management and mitigation of those risks, the successful achievement of the Authority's objectives, demonstrate effective provision of its services and the maximisation of opportunities.

8.2 By continually monitoring and reviewing the Risks and the Risk Management Framework we will ensure that it continues to meet external assessment criteria and best practice requirements.

Background Documents
There are no background documents (as defined in Section 100D(5) of the Local Government Act 1972) to this Report.

Equality Impact Assessment

The decision does not have any direct impact on members of the public, employees, elected members and / or stakeholders. Therefore no Equality Impact Assessment is required.

Appendices
Appendix A – Key Risks Register