



CABINET: 10 September 2019

Report of: Borough Treasurer

Relevant Portfolio Holder: Councillor A Yates

Contact for further information: Rebecca Spicer (Extn. 5098)
(E-mail: rebecca.spicer@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 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 the Key Risks Register are reviewed and reported to Members on a regular basis. Consequently it is our standard practice to report on Key Risk Register issues to Cabinet every 6 months.

- 3.3 Risk Management covers the whole spectrum of risks and not just those associated with finance, business continuity, insurance and health and safety. It also considers risks associated with service provision, compliance with legislation, public image (reputation) and environment. Key Risks are defined as the highest priority risks that may prevent the Council from achieving its 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 Service Risk Register of the specific risks that they face.

4.0 KEY RISK REGISTER

- 4.1 The Key Risk Register attached (Appendix A) shows the current Key Risks and the measures in place to manage those risks. The regular reporting of the Register provides Members with an opportunity to scrutinise Key Risks and provides assurance that these risks are being effectively controlled.
- 4.2 The risk relating to Land Auction has been recently removed from the Key Risk Register as the Council has now completed its part in the project. There is no longer a risk to the Council of a potential loss of capital receipt as the sale of all sites has been agreed.
- 4.3 The scoring of the risk relating to Business Continuity – Potential for Disruption has reduced from the "very concerned" category to the "uneasy" category, as services have recently reviewed and updated their business continuity plans.
- 4.4 The risk relating to the West Lancashire Development Company has been downgraded from "uneasy" to "content" as Tawd Valley Developments Ltd has now been established and the governance and financial arrangements are being finalised and agreed with the Council as sole shareholder. Progress with delivery of the initial business plan is being made in accordance with the project plan. Similarly the risk relating to Balancing the HRA Budget has been downgraded to "content" as the stock condition survey and analysis of data is now complete, the income management IT system is now live and the Government have provided certainty in relation to rents over the next 5 years.
- 4.5 There is one risk relating to EU Exit that has been assessed in the "very concerned" category that requires urgent action at the highest level to reduce the risk to an acceptable position, and this work is ongoing.

5.0 SUSTAINABILITY IMPLICATIONS

- 5.1 There are no significant sustainability impacts associated with this report and, in particular, no significant impact on crime and disorder.

6.0 FINANCIAL AND RESOURCE IMPLICATIONS

- 6.1 The successful management of the Key Risks facing the Council will ensure that resources are used effectively and efficiently.

7.0 RISK ASSESSMENT

- 7.1 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, and the maximisation of opportunities. By continually monitoring and reviewing the risks and the Risk Management Framework we will ensure that it continues to improve, develop and meet 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.

Appendices

Appendix A – Key Risks Register

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.