



CABINET: 8th September 2020

Report of: **Head of Finance, Procurement & Commercial Property Services**

Relevant Portfolio Holder: Councillor A Yates

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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 an EU Exit has been downgraded from 'concerned' to 'uneasy' as recently tested, robust Business Continuity Plans are in place.
- 4.3 The risk "Covid-19" has been downgraded from 'very concerned' to 'concerned' as Business Continuity Plans have all been updated and externally audited.
- 4.4 The risk entitled "West Lancashire Development Company" has moved from the 'content' to the 'uneasy' category as the market will have been impacted by COVID-19 and the business plan needs to be reconsidered in this light.
- 4.5 A new risk has been entered onto the register entitled "Leisure Contract" and has been scored in the uneasy category. Controls are in place to manage this risk as weekly review meetings are being held with Serco along with formal monthly reviews. A Cabinet Working Group has been established and is kept informed in relation to progress.
- 4.6 A new risk in relation to preparation of the new local plan has also been added to the register and falls within the uneasy category however several controls are in place to efficiently manage this risk.
- 4.7 There are no risks that currently fall into the very concerned category.

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.