



CABINET: 14 March 2017

Report of: Borough Treasurer

Relevant Portfolio Holder: Councillor C. Wynn

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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 and to advise of proposed changes to the Risk Management Policy.

2.0 RECOMMENDATIONS

- 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.
- 2.2 The updated Risk Management Policy at Appendix B be approved.
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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. At its meeting in January 2017 the Audit and Governance Committee considered a report on the effectiveness of the Risk

Management framework and endorsed an updated version of the Risk Management Policy.

- 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 scrutinize key risks and provides assurance that these risks are being effectively controlled.
- 4.2 There are two main changes in the register since the last version was produced. Firstly the risk associated with the TEEP - Waste Framework Directive, which requires waste collection authorities to collect recyclable material separately has now been removed. A TEEP document confirming that we comply with the legislation has now been completed. Secondly a new key risk has been introduced in relation to the procurement of new leisure provision, which was the subject of a report to Cabinet in January 2017.
- 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 that have been assessed in the concerned category, but in each case these have been either the subject of recent Committee reports or have been considered through the budget process.

5.0 CHANGES TO THE RISK MANAGEMENT POLICY

- 5.1 The Risk Management Policy has been reviewed by Officers to ensure that it reflects best practice, new developments and organisational change. This review has identified a small number of changes that need to be made such as to reflect the change in the Council’s organisational structure that took place in 2016.
- 5.2 A tracked changes version of the updated Policy is included in Appendix B, which has already been endorsed by the Audit and Governance Committee. Members are asked to approve these amendments.

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, 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
Appendix B – Amended Risk Management Policy

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.