

**CITY AND COUNTY OF CARDIFF
DINAS A SIR CAERDYDD**

**POLICY REVIEW AND PERFORMANCE
SCRUTINY COMMITTEE**

5 July 2016

CORPORATE RISK REGISTER – Year end review 2015/16

Reasons for the Report

1. To give the Committee an opportunity to consider the Corporate Risk Register at the 2015/16 year end, and to advise Members of the strategic risks facing the Council. The Register will be presented to the Cabinet on 14 July 2016.

Background

2. Under the Council's Risk Management Policy, Strategy and Methodology¹, the Corporate Risk Register is identified as the key record of 'strategic risks which have an impact beyond any one service area and/or are of such significance that they need to be highlighted corporately'. The Register is currently updated and presented to the Senior Management Team on a quarterly basis and to Cabinet six monthly.

Issues

3. The Corporate Risk Register identifies the major challenges faced by the Council, allowing the Cabinet and senior managers to make informed

¹ Available at:

<https://www.cardiff.gov.uk/ENG/Your-Council/Strategies-plans-and-policies/ManagingRisk/Documents/Risk%20Management%20-%20Policy,%20Strategy%20and%20Methodology.pdf>

decisions in terms of their management. Attached at **Appendix A** is the summary version of the Corporate Risk Register, showing the 2015/16 year end position. Attached at **Appendix B** is the full version of the Corporate Risk Register. The draft report which will be considered by the Cabinet in July is attached at **Appendix C**.

4. On the Register, each risk is assigned a 'traffic light' 'Inherent Risk' rating (or level of risk before any control measures are taken into account), as well as a 'Residual Risk' rating (or level of risk once existing control actions are factored in). These traffic light ratings are defined under the Risk Management Policy, Strategy and Methodology. For Members' information, a copy of the Council's Risk Matrix and Definitions, which describes the traffic light classification, is attached at **Appendix D**.

Current corporate risks

5. The Register separates risks into two categories: *Event Driven Risks*, which typically relate to specific occurrences (for example Social Services and Wellbeing (Wales) Act and Preparation of the Local Development Plan), and *Ongoing Risks* to the Council, which present a more constant risk (for example Budget Prioritisation and Performance Management).
6. The Register identifies a 'Risk Owner' at Corporate Director level for each risk.
7. The Register lists twenty four risks. These cover themes as varied as ICT platforms (or desktop, software, network and telephone network) being unsuitable or outdated; Workforce Planning; Information Governance; and Asset Management. The Senior Management Team considers that two risks have been sufficiently addressed at the year end:
 - Preparing a Local Development Plan considered sound by the Inspector, within the proposed timescale. This risk has decreased from High to Low priority, and;

- Ensuring effective operation of the Council's Asset Management Board to achieve effective strategic oversight and identified savings. This risk has decreased from High to Medium priority.
8. In total, ten Inherent High Risks have become Medium/ Low Residual Risks following review and updating by the respective risk owner, and collectively agreed by all Directors at Senior Management Team.

Way Forward

9. Councillor Graham Hinchey (Cabinet Member for Corporate Services and Performance), Christine Salter (Corporate Director Resources), and Ian Allwood (Head of Finance) will be in attendance to present the Register and take Members' questions.

Legal Implications

10. The Scrutiny Committee is empowered to enquire, consider, review and recommend but not to make policy decisions. As the recommendations in this report are to consider and review matters there are no direct legal implications. However, legal implications may arise if and when the matters under review are implemented with or without any modifications. Any report with recommendations for decision that goes to Cabinet/Council will set out any legal implications arising from those recommendations. All decisions taken by or on behalf of the Council must (a) be within the legal powers of the Council; (b) comply with any procedural requirement imposed by law; (c) be within the powers of the body or person exercising powers on behalf of the Council; (d) be undertaken in accordance with the procedural requirements imposed by the Council e.g. Scrutiny Procedure Rules; (e) be fully and properly informed; (f) be properly motivated; (g) be taken having regard to the

Council's fiduciary duty to its taxpayers; and (h) be reasonable and proper in all the circumstances.

Financial Implications

11. The Scrutiny Committee is empowered to enquire, consider, review and recommend but not to make policy decisions. As the recommendations in this report are to consider and review matters there are no direct financial implications at this stage in relation to any of the work programme. However, financial implications may arise if and when the matters under review are implemented with or without any modifications. Any report with recommendations for decision that goes to Cabinet/Council will set out any financial implications arising from those recommendations.

RECOMMENDATIONS

12. The Committee is recommended to:

- Note the Corporate Risk Register and the strategic challenges facing the Council;
- Consider whether it wishes to relay any concerns or observations to the Cabinet and;
- Consider if it would like to build any further consideration of these issues into its work programme.

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