

**CORPORATE RISK REGISTER 2016/17 (MID-YEAR)**

**REPORT OF CORPORATE DIRECTOR RESOURCES      AGENDA ITEM: 6.1**

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1. To bring to the Audit Committee's attention the strategic risks facing the Council as assessed as part of the current Risk Management arrangements.
2. The Audit Committee's Terms of Reference sets out their responsibility in relation to governance, risk and control as follows.
  - To monitor and scrutinise the effective development and operation of the risk management arrangements within the Council, and;
  - To oversee progress in addressing risk-related issues reported to the Committee, such as the Corporate Risk Register (CRR).

**Background**

3. To support the arrangements for good corporate governance, it is necessary for the Council to have a clear statement of its overall position in relation to corporate risks, and that this statement is subject to regular review.
4. Sections 81 to 87 of the Local Government (Wales) Measure 2011 sets out provisions for Audit Committees. One of the key roles of the Committee is to review, scrutinise and issue reports and recommendations on the appropriateness of the authority's risk management, internal control and corporate governance arrangements.
5. The CRR should identify the main risks facing the Council so that elected Members and the Senior Management can make informed decisions and prioritise actions, with these high level risks in mind. The CRR process involves identifying and assessing key risks, and taking proportionate action to manage risks within an acceptable level (risk appetite). Risk registers are used to record and track how identified risks are currently being managed together with details of planned commitments to reduce risks further, where required.
6. The CRR continues to be updated quarterly and presented to the Senior Management Team, to ensure their collective ownership and agreement of the strategic risks facing the Council.
7. For the Mid-Year update a detailed review of the CRR was completed to ensure that the key corporate risks facing the council are represented and assessed consistently. This review involved the Senior Management Team, the Risk Management Steering Group and the Risk Champion Network.

8. The CRR was last presented to Audit Committee on 27 June 2016, at which time it set out the year-end position 2015/16. This was followed by an update on risk management practices on 19 September 2016 when a Corporate Risk Map was presented. As a result Audit Committee requested that the Corporate Risk Register updates be provided in both the standard and Risk Map formats going forward.
9. The CRR is a key governance document and the intention is to continue to bring the Register to the attention of the Audit Committee on a biannual basis in line with reporting to Cabinet. On this occasion the register will be presented to Cabinet in December 2016

## Issues

10. The CRR is currently made up of 24 risks, all of which are assigned to members of the Senior Management Team to ensure the most senior level of ownership and accountability by officers.
11. Each risk has been reviewed and updated by the respective risk owner to reflect the mid-year position. To assist in this process, a guidance document was produced by the Information Governance and Risk Team and issued to each risk owner to ensure risks are framed and scored on a consistent basis. The full register was shared with all Directors at the Senior Management Team meeting on 15 November 2016, to gain their collective agreement.
12. The detailed review has resulted in the following changes to the CRR since the 2015/16 year end:
  - Two new risks have been added – ‘Promoting Independence’ (to replace delayed transfers of care) and ‘Safeguarding’;
  - Two risks have been downgraded from ‘red’ to ‘red/amber’ – ‘Organisational Development’ and ‘Performance management’;
  - One risk was downgraded from ‘red / amber’ to ‘amber / green’ – ‘Schools SOP’;
  - One risk has remained within the same overall priority rating - ‘Information Governance’
  - Two risks have been removed ‘Local Development Plan’ and ‘Delayed Transfers of Care’.
13. The guidance and support provided by the Information Governance and Risk Team in reviewing the mid-year CRR position should provide assurance on its content and the scoring of risks. Risks on the CRR are currently scored between medium and high ratings, with eight risks (1/3) scored as ‘red.’ This represents both an improvement on the year-end position and more accurate representation of the management of corporate risks.
14. It is important to note that risks are liable to change as circumstances alter, and that the CRR presents the position at a point in time. The Register will continue to be refreshed quarterly and the identified risk owners have a responsibility to ensure the risks included on the register remain focused and relevant.
15. In order to recognise the importance of monitoring and reviewing the CRR, the Member Risk Champion, Councillor Graham Hinchey, has an important role as set out in the Council’s Risk Strategy. This role includes raising the profile of risk management and promoting the benefits to Members, as well as promoting the accountability and responsibility of all staff within the Council. The Member Champion will bring forward

ideas from the Members to the Risk Management Steering Group which they consider relevant for the CRR.

16. It is appreciated that there is considerable detail in the complete register and, therefore, three appendices are attached; Appendix A is the Corporate Risk Map while Appendix B is a summarised version and Appendix C details the complete register.

### **Legal Implications**

17. There are no direct legal implications arising from this report. However, one of the benefits of identifying risk is that mitigation measures may be taken, if appropriate, and consequently successful claims against the Council may be avoided altogether, or reduced.

### **Financial Implications**

18. There are no direct financial implications arising from this report. The Corporate Risk register will be used to guide the Internal Audit Plan and the Council's resource planning processes and forms an important part of the governance arrangements for the Council.

### **Recommendation**

19. The Audit Committee is recommended to note the content of the Corporate Risk Register and to have regard to its content when considering its Work Programme.

## **CHRISTINE SALTER CORPORATE DIRECTOR RESOURCES**

The following Appendices are attached:

**Appendix A** - Corporate Risk Map 2016/17 (Mid-Year Position)

**Appendix B** - Corporate Risk Register 2016/17 Mid-Year Position (Summary)

**Appendix C** - Corporate Risk Register 2016/17 Mid-Year Position (Detailed)