

CORPORATE RISK REGISTER – MID YEAR REVIEW 2015/16

REPORT OF CORPORATE DIRECTOR RESOURCES

AGENDA ITEM: 5.1

Reason for this Report

1. To bring the Corporate Risk Register (CRR) to the attention of the Committee, in order to consider the strategic risks facing the Council.

Background

2. 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 to review them on a regular basis.
3. The CRR should identify the main risks facing the Council so that elected Members and Senior Management can make informed decisions and prioritise actions, with these high level risks in mind. The process followed is to identify the risk and then to address it through the control environment and mitigations in place or planned within the Council. This exercise results in a residual risk score which should demonstrate the effectiveness of the controls in place to manage the risk.
4. The Committee last sighted the CRR on 22 June 2015 which reflected the year end position for 2014/15. The register continues to be updated quarterly and presented to the Senior Management Team to ensure their collective ownership of the strategic risks facing the Council. On this occasion the register has been updated to reflect the mid year position for 2015/16.

Issues

5. The CRR is currently made up of twenty four 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.
6. Each risk has been reviewed and updated by the respective risk owner to reflect the mid year position, which was shared with all Directors at a Senior Management Team meeting, to gain collective agreement.

7. Since the Committee last sighted the register in June 2015:
 - The number of corporate risks has reduced by one to twenty four;
 - A Senior Management restructure took place in April 2015, reducing the number of Directors from eleven to seven. Risk owners have been updated accordingly to ensure ongoing risk ownership and management.
8. The Social Services Directorate was formed in April 2015, to combine the Health and Social Care and Children's Services Directorates. The former Directorates collectively owned four risks on the CRR which have been amalgamated into three ongoing corporate risks as part of the mid year review. The Director of Social Services has taken ownership of these risks which relate to the Social Services and Wellbeing (Wales) Act 2014, the cost of delivering Social Services and delayed transfers of care.
9. The Risk Management Steering Group met in September and considered whether four risks, which had been escalated from Directorates, should be included on the CRR. The risks were considered by the Risk Management Steering Group who determined that it is appropriate for these to be managed and mitigated within individual Directorates.
10. A benchmarking exercise has recently been completed with UK Core Cities to identify and consider the comparability of risk themes on the CRR with other Local Authorities. A review of this data provides general assurance that the makeup of the CRR is broadly aligned with those of the other Core Cities. The Audit Risk Team is working with Risk Owners to review the benchmarking data in greater detail.
11. The Social Services Directorate has acknowledged the efforts made to manage and control the risk of failure to deliver the Social Services and Wellbeing (Wales) Act 2014. Reflecting on the ongoing controls and the proposed improvement actions going forward it was considered appropriate to reduce the residual risk score from high priority (red) risk to medium priority (red / amber) risk.
12. With the exception of the aforementioned change, all other risk scores have remained the same as the year end position for 2014/15. Although residual risks have remained relatively constant, there has been significant progress by risk owners, which is captured in the updated current controls and improvement actions of the detailed CRR.
13. It is important to note that risks are liable to change as circumstances alter and the CRR presents the position at a point in time and the appendices to this report reflect the mid year position 2015/16. The register will continue to be refreshed quarterly and the identified risk owners have a responsibility to ensure the register remains focused and relevant.
14. Since the Committee last sighted the register, the Director of Social Services has joined the Risk Management Steering Group to maintain appropriate representation following the departure of the Director of Health and Social Care.

15. In order to recognise the fundamental importance of the CRR, in the governance of the Council, the Committee will continue to consider reports on a biannual basis.
16. It is appreciated that there is considerable detail in the complete register and, therefore, two appendices are attached; Appendix A details the summarised register, Appendix B is a complete version.

Reason for Recommendation

17. As part of the arrangements for good corporate governance, it is necessary for the Council to have a clear statement identifying what strategic risks the Authority faces. The CRR will update Members and enable them to have an informed view on matters they consider. In addition, the Council will be able to demonstrate that there are effective and robust systems in place for managing risk.

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.

Legal Implications

19. 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.

RECOMMENDATION

20. The Committee is recommended to note the content of the Corporate Risk Register.

CHRISTINE SALTER
CORPORATE DIRECTOR RESOURCES

The following Appendices are attached:

Appendix A – Corporate Risk Register – Mid Year Review 2015/16 (Summarised)
Appendix B – Corporate Risk Register – Mid Year Review 2015/16 (Detailed)