

Audit and Risk Management Committee
Monday, 13 June 2016

REPORT TITLE:	CORPORATE RISK REGISTER
REPORT OF:	Chief Executive

REPORT SUMMARY

Under the terms of the Council's Constitution one of the functions of the Audit & Risk Management Committee is to provide independent assurance that the Council's risk management framework is effective.

A key output from the Council's risk management framework is the Corporate Risk Register. To ensure that the Council continues to focus on the most critical risks to the delivery of its objectives the Strategic Leadership Team has produced a revised set of corporate risks aligned to the Wirral Plan. These risks are presented for the information of Members. Actions to further develop the register are also confirmed.

RECOMMENDATION/S

1. That Members consider the refreshed set of corporate risks.
2. That future updates to the Corporate Risk Register be reported to this committee.

SUPPORTING INFORMATION

1.0 REASON/S FOR RECOMMENDATION/S

- 1.1 Having an understanding of the Council's principal risks and their controls supports the Committee's responsibility in relation to the adequacy of the Council's risk management framework.
- 1.2 The provision of regular reports to this Committee on the Corporate Risk Register is a requirement of the Council's current Corporate Risk Management Policy.

2.0 OTHER OPTIONS CONSIDERED

- 2.1 Not applicable to this report

3.0 BACKGROUND INFORMATION

- 3.1 The purpose of the Corporate Risk Register is to summarise those areas of uncertainty which have the greatest potential to prevent or frustrate delivery of the Council's plans and to confirm how the authority is seeking to tackle them. At a strategic level these risks help to inform future priorities and interventions. The actions required to mitigate the risks also influence the content of strategies, plans and the allocation of resources. In that way they are a key component of the corporate planning process and so success in managing these risks is a key factor in overall corporate performance.

3.2 Rationale for a refresh of the Corporate Risk Register

- 3.2.1 Last year the Council and its partners adopted the Wirral Plan: A 2020 Vision. This sets out a refreshed set of priorities and a different tactical approach to the delivery of outcomes. SLT recognised that given such major changes the most significant threats to the delivery of the Plan could differ substantially from those which the Council has faced previously.
- 3.2.2 The team gave its support to an exercise to identify the most critical risks to the new plan and approved a mechanism proposed by the Risk and Insurance Manager through which information would be collated to inform discussion amongst the team as to the matters which should feature in the refreshed register.

3.3 Risk Identification and Definition Process

- 3.3.1 The first element of the exercise comprised a series of interviews with political and executive leaders. This was completed in December 2015.

- 3.3.2 There were two parts to each discussion. The first covered major influences on the success of the Plan both from within the partnership and in the wider operating environment. The second considered potential changes over the life of the Plan and the impact that they could have on those influential factors.
- 3.3.3 The output from the interviews was analysed and a report presented to SLT on 16 February. This summarised all of the risks identified through the interview process and those on the existing risk register. Those existing risks with no equivalent in the list of the new risks were highlighted. Extracts from authoritative reports on the risks facing local authorities nationally were also included to give the team an opportunity to consider whether these presented a sufficiently critical threat to warrant potential inclusion in any revised register. SLT indicated a preference for the revised register to focus on key strategic and tactical threats with oversight of high impact operational risk areas (such as fraud and health & safety) being exercised through the new Corporate Health report.
- 3.3.4 SLT agreed a draft set of risks and a sub group of SLT was charged with refining the definitions with support from the Risk and Insurance Manager. The output from this work was reported to the team on 1 March. Additional input from individual SLT members and the Marketing & Communications team was incorporated into improved definitions for the risks. SLT considered this information on 29 March agreed the core set of revised corporate risks and assigned lead responsibility for the management of each.

3.4 Risk Analysis

- 3.4.1 To enable risks to be analysed it is necessary to understand their potential consequences the controls in place to mitigate them and how these alter their significance.
- 3.4.2 With assistance from SLT the Risk and Insurance Manager collated information on how each risk might impact on the Partnership the Council and the community. Information was also gathered on current and additional key controls for each risk and responsibility for the operation of each one. Further actions that could be taken if these controls were considered insufficient were also identified.
- 3.4.3 SLT considered all of this information on 31 May. With reference to the Council's risk scoring matrix and in accordance with its Risk Management Policy the team allocated scores for each risk's likelihood and impact on 2 separate bases:
- Unmanaged - Assuming that no there was no mitigation in place
 - Managed - Taking into account the current key controls

This information was added to the draft risk register document appended to this report.

3.5 Future Actions

- 3.5.1 Proposals for consideration of the Council's appetite for the revised corporate risks will be considered jointly by Cabinet and SLT.
- 3.5.2 Arrangements will be developed for the monitoring of the risks by SLT and reporting to stakeholders as part of the revised performance management and integrated reporting framework.
- 3.5.3 Analysis will be undertaken of the key risks to the delivery of the Wirral Plan Pledge Strategies, the revised Transformation Programme and any business plans to be developed under the Council's new Operating Model. Critical individual or cross-cutting risks will be reported to SLT so that the team can take a view as to whether any of these warrant addition to the core corporate risks.

4.0 FINANCIAL IMPLICATIONS

- 4.1 Whilst there are no direct implications effective management of the corporate risks will help to mitigate negative impacts on the Council's financial resources.

5.0 LEGAL IMPLICATIONS

- 5.1 There are none arising directly from this report.

6.0 RESOURCE IMPLICATIONS: ICT, STAFFING AND ASSETS

- 6.1 Whilst there are no direct implications effective management of the corporate risks will help to mitigate negative impacts on the Council's ICT, human resources and other assets.

7.0 RELEVANT RISKS

- 7.1 The issues contained in the register are considered by the Strategic Leadership Team to present the most significant risks to achievement of the Council's objectives and priorities. As such failure to manage them effectively could have severe implications for delivery of the Wirral Plan.

8.0 ENGAGEMENT/CONSULTATION

- 8.1 No specific consultation has been undertaken with regard to this report.

9.0 EQUALITY IMPLICATIONS

- 9.1 There are none arising directly from this report.

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APPENDICES

Draft Revised Corporate Risk Register

REFERENCE MATERIAL

N/A

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Audit & Risk Management Committee	
Corporate Risk Register	26 January 2016
Corporate Risk Register	24 November 2015
Corporate Risk Register	22 September 2015
Corporate Risk Register	8 June 2015
Corporate Risk Register	18 March 2015