WIRRAL COUNCIL

CABINET - 20 SEPTEMBER 2007

REPORT OF THE DIRECTOR OF FINANCE

REVIEW OF CORPORATE RISK REGISTER

1. EXECUTIVE SUMMARY

1.1 This report confirms details of the work recently undertaken by Chief Officers to review the issues on the corporate risk register and summarises how the revised register will be managed and reported. A draft schedule of corporate risks is included for Members consideration and comment.

2. BACKGROUND

2.1 Risks on the corporate register reflect those issues which have the greatest potential to prevent or frustrate achievement of Council Corporate Objectives as set out in the current Corporate Plan.

2.2 The corporate risks influence individual departmental plans and the allocation of resources. Success in managing these risks is a key element of overall performance.

2.3 Twelve risks appear in the existing register. Progress in addressing these has been reported to Members previously.

2.4 The Corporate Risk Management Strategy presented to the Cabinet on 6 September 2007 confirms that Chief Officers will take direct responsibility for identifying corporate risks.

3. REVIEW PROCESS

3.1 Chief Officers agreed by that a refresh of the corporate risks should be undertaken.

3.2 It was also agreed that the review would take into account information gathered from Chief Officers themselves. During May and June the Risk & Insurance Officer met with each Chief Officer individually to seek views on:

(i) Risks faced by the department which in the Chief Officer’s opinion were of potential corporate significance.
(ii) Risk scenarios which did not directly impact on departmental objectives but which nevertheless were of particular concern.

(iii) The key challenges facing the Authority as a whole in the next 3 to 5 years

3.3 The output from the meetings was translated into a schedule of risks. This was reviewed by the Risk & Insurance Officer to identify any issues which appeared more than once. These were classed as 'cross-cutting'. The remaining risks were considered to be 'specific' to a particular department.

3.4 Chief Officers compared the draft schedule of risks against the existing corporate risk register. In doing so the following points were considered:

- Were any of the 'specific' risks significant enough to warrant inclusion in a revised corporate register?
- Did any of the 'cross-cutting' risks simply duplicate existing corporate risks?
- Had any of the existing corporate risks reduced in significance to such an extent that they could be removed from the register?
- Were there any risks of potential corporate significance not included in either the existing risk register or the draft schedule?

3.5 That exercise resulted in a new draft corporate risk register. This and the existing corporate risk register are shown as an appendix to the report. The risks are not shown in any order of priority

3.6 Members are invited to consider the revised corporate risks and provide views as to whether any risks are of a greater priority than others and advise whether there are any other risks of corporate significance which are not reflected in the draft list.

4. MANAGEMENT OF THE REGISTER AND REPORTING ARRANGEMENTS

4.1 Management of corporate risks is crucial to the achievement of Council objectives. It is therefore important that there is a robust framework for addressing them and evaluating whether the actions taken are reducing the risks. This involves the risks being analysed, in order to determine priorities for action, considering the measures already in place to mitigate them and any further actions required. Responsibility for those actions must be allocated to individuals to ensure accountability and progress are considered regularly.

4.2 Whilst Chief Officers acknowledge that the successful management of these risks is their collective responsibility they also recognise that it is impractical for them to administer the register itself. However to reflect the importance of these risks they have decided that this task will be undertaken by officers through the Corporate Improvement Group.

4.3 The Group will meet shortly in order to carry out an initial analysis of the corporate risks and thereafter will regularly review the risks in the light of progress.

4.4 Chief Officers and Cabinet will receive regular updates on progress through Corporate Performance reports. Audit and Risk Management Committee will also receive updates through the Risk and Insurance Performance reports. It is anticipated that these will include any newly identified risks which are of potential corporate significance.

5. FUTURE DEVELOPMENTS

5.1 The risk management strategy recognises the importance of reviewing the issues on the register annually to ensure that they continue to reflect the greatest threats to the Corporate Objectives.

5.2 Future annual reviews will be undertaken in line with the Corporate Planning timetable. It is hoped to involve Members more directly in the process. This could take the form of a joint session with Chief Officers or alternatively a separate dedicated workshop for Cabinet.

5.3 The corporate risks will be included in the Corporate Plan.

6. FINANCIAL IMPLICATIONS

6.1. Whilst there are no direct financial implications effective management of those risks with a financial impact will help improve value for money.

7. STAFFING IMPLICATIONS

7.1 There are no direct staffing implications. However some of the corporate risks directly concern human resources issues.

8. EQUAL OPPORTUNITIES IMPLICATIONS

8.1. Effective management of the corporate risks will contribute to the achievement of all corporate objectives.

9. COMMUNITY SAFETY IMPLICATIONS

9.1 Effective management of the corporate risks will contribute to the achievement of all corporate objectives.

10. LOCAL AGENDA 21 IMPLICATIONS

10.1. Effective management of the corporate risks will contribute to the achievement of all corporate objectives.

11. ANTI POVERTY IMPLICATIONS

11.1 Effective management of the corporate risks will contribute to the achievement of all corporate objectives.

12. SOCIAL INCLUSION IMPLICATIONS

12.1 Effective management of the corporate risks will contribute to the achievement of all corporate objectives.

13. LOCAL MEMBER SUPPORT IMPLICATIONS

13.1. There are no specific implications for any Members or wards.

14. BACKGROUND PAPERS

14.1 Reports to Audit and Risk Management Committee and Cabinet.

14.2 Corporate Risk Management Strategy.

13. RECOMMENDATION

13.1. That Members comment on the draft list of corporate risks.

IAN COLEMAN
DIRECTOR OF FINANCE

FNCE/207/07

WIRRAL COUNCIL – CORPORATE RISK ANALYSIS

Existing Corporate Risks	Revised Corporate Risks
1. Failure to reflect appropriate drivers in business plans.	1. Death or serious injury to a service user, staff member, or anyone to whom the Council owes a duty of care.
2. Failure to adhere to governance structures.	2. Failure to prepare adequately for/manage the impact of the pandemic.
3. Failure to deliver sustainable services in response to community expectations.	3. Key Council services are not resilient to disruption and business continuity arrangements are inadequate.
4. Failure to prioritise and improve service delivery within available resources.	4. Changing need and demand for services (driven by legislative, social and demographic change) is not managed effectively
5. Failure to deliver on strategies in support of our key priorities.	5. The Council does not maintain arrangements for good corporate governance.
6. Failure to plan and work effectively in partnerships.	6. Community expectations are not properly understood or managed well.
7. Failure to manage and improve image and reputation.	7. Failure to achieve sustainable budgets, in line with priorities and take difficult decisions.
8. Inability to recruit and retain appropriate staff.	8. The strategies supporting our key priorities are not executed effectively.
9. Failure to sustain key services following major interruption.	9. Partnerships are not well planned and we do not work effectively with others.
10. Failure to procure effectively.	10. Failure to manage and improve image and reputation.
11. Failure to develop the organisation’s capacity and skills.	11. We do not recruit and retain appropriate staff or develop them effectively.
12. Failure to plan and manage performance and finances in accordance with plans and budgets.	12. We do not fully exploit all available resources, including technology.
	13. Failure in administrative/clerical processes leading to major financial loss/damage to reputation.
	14. Failure to plan and manage performance (CPA) and finances in accordance with plans and budgets.
	15. Failure to execute the Council's Investment Strategy (or failure of the Strategy to deliver).