

WIRRAL COUNCIL

AUDIT & RISK MANAGEMENT COMMITTEE

10 JUNE 2013

SUBJECT	CORPORATE RISK REGISTER
WARD/S AFFECTED	ALL
REPORT OF	CHIEF EXECUTIVE
KEY DECISION	NO

1.0 EXECUTIVE SUMMARY

- 1.1 This report was considered and approved by Cabinet on 23 May 2013. This Committee is asked to consider the process and contents and pass any comments to Cabinet.
- 1.2 The report summarises the process followed in undertaking a recent review of the issues contained within the Corporate Risk Register. A draft of the fully populated document is appended. Members are invited to consider and comment on the Register.

2.0 BACKGROUND AND KEY ISSUES

- 2.1 The Corporate Risk Register is a key element of the Council's risk management Strategy. It summarises those areas of uncertainty which have greatest potential to prevent or frustrate delivery of the Corporate Plan and confirms how the authority is seeking to tackle them. At a strategic level the risks help to inform future priorities and interventions. The actions required to mitigate the risks also influence the content of Directorate Service 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.
- 2.2 The Register was last reported in full to Cabinet in February 2012. The most recent update was provided as part of the 2011/12 Year End Performance and Financial Review submitted to Cabinet in June 2012.
- 2.3 Since that time the Council has experienced significant change both internally and in the wider environment. The establishment of a revised set of objectives through development of 2013/14 Corporate Plan requires a review of the Register. Changes over the past year provide further impetus for this review.
- 2.4 **The Review Process**
- 2.4.1 The register needs to take account of both the corporate objectives and the context within which the Council seeks to deliver them. The process began with a series of interviews with members of the Chief Executive's Strategy Group (CESG). These focussed on the critical short and medium term priorities for the authority and the factors on which their successful delivery depends. The interviews also sought views on conditions in the wider environment over the medium term in relation to the economy demography policy technology and climate.

2.4.2 The output from the interviews was presented to CESH on 23 April by the Risk & Insurance Officer. The presentation also contained an initial list of significant risks grouped into those associated with the internal operation of the Council and those arising from the external environment. The initial list was reviewed and discussed by the Group and the list revised.

2.4.3 Through further discussion with members of CESH information was gathered on the potential impact of each risk on the Council and the wider community the steps being taken to address it including activity within the Improvement Plan and further action that could be considered if existing mitigation was judged to be insufficient. Lead responsibility for each risk was also assigned to a Strategic Director or Director.

2.4.4 The above information was used to inform an initial view on the significance of each risk and incorporated into the draft register document appended to this report. The matrix used to score the risks is replicated below

		Impact				
		Very Low (1)	Low (2)	Medium (3)	High (4)	Very High (5)
Likelihood	Very High (5)	5 Very low impact but very high likelihood	10 Low impact but very high likelihood	15 Medium impact but very high likelihood	20 High impact and very high likelihood	25 Very high impact and very high likelihood
	High (4)	4 Very low impact but high likelihood	8 Low impact but high likelihood	12 Medium impact but high likelihood	16 High impact and high likelihood	20 Very high impact and high likelihood
	Medium (3)	3 Very low impact and medium likelihood	6 Low impact and medium likelihood	9 Medium impact and medium likelihood	12 High impact but medium likelihood	15 Very high impact and medium likelihood
	Low (2)	2 Very low impact and low likelihood	4 Low impact and low likelihood	6 Medium impact and low likelihood	8 High impact but low likelihood	10 Very high impact but low likelihood
	Very Low (1)	1 Very low impact and very low likelihood	2 Low impact and very low likelihood	3 Medium impact and very low likelihood	4 High impact but very low likelihood	5 Very high impact but very low likelihood

2.5 Next Steps

2.5.1 Individual directorates are currently developing risk registers as part of the service planning process. Significant risks identified through this activity will be summarised for consideration by CESG and where appropriate added to the corporate risk register.

2.5.2 The register is intended to be a tool to be used by political and executive leaders to inform tactical and operational decision making. As such it needs to be a live document. There will be a formal review by the Chief Executive Strategy Group each quarter. Progress in addressing the existing corporate risks will be monitored and significant risks to programme and operational objectives will be considered for possible temporary inclusion in the register. The full updated register will be reported to Members also on a quarterly basis.

3.0 RELEVANT RISKS

3.1 The issues contained in the register are considered by Chief Executive Strategy Group to present the most significant risks to achievement of the objectives and priorities contained in the Corporate Plan. As such failure to manage them effectively could have severe implications for delivery of the Plan.

4.0 OTHER OPTIONS CONSIDERED

4.1 These are not applicable in respect of this monitoring report.

5.0 CONSULTATION

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

6.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

6.1 There are none arising directly from this report.

7.0 RESOURCE IMPLICATIONS: FINANCIAL; IT; STAFFING AND ASSETS

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

8.0 LEGAL IMPLICATIONS

8.1 There are none arising directly from this report.

9.0 EQUALITIES IMPLICATIONS

9.1 There are none arising directly from this report.

10.0 CARBON REDUCTION IMPLICATIONS

10.1 There are none arising directly from this report.

11.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

11.1 There are none arising directly from this report.

12.0 RECOMMENDATION

12.1 Cabinet was asked to consider comment on and approve the draft corporate risk register.

12.2 This Committee is asked to consider the process and contents and pass any comments to Cabinet.

13.0 REASON FOR RECOMMENDATION

13.1 Approval of the risks and the proposed monitoring process will enable officers to focus resources on the most significant threats to delivery of the Council's corporate objectives. The role of Audit & Risk Management Committee has a responsibility to ensure the risk management arrangements are adequate and effective.

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REFERENCE MATERIAL / SUBJECT HISTORY

Council Meeting	Date
Cabinet	
Corporate Risk Register	22 September 2011
Corporate Risk Register	2 February 2012
Corporate Risk Register	23 May 2013