

# WIRRAL COUNCIL

## AUDIT & RISK MANAGEMENT COMMITTEE

18 MARCH 2014

<b>SUBJECT</b>	<b>CORPORATE RISK REGISTER</b>
<b>WARD/S AFFECTED</b>	<b>ALL</b>
<b>REPORT OF</b>	<b>DIRECTOR OF RESOURCES</b>
<b>KEY DECISION</b>	<b>NO</b>

### 1.0 EXECUTIVE SUMMARY

1.1 This is the first of a new series of reports on the Corporate Risk Register as indicated in the Council's new Corporate Risk Management Policy. It outlines how the Register was developed the outcome of subsequent reviews and future action. A full copy of the current document is appended. Future reports will focus on changes to the topics on the Register and progress in implementing controls.

### 2.0 BACKGROUND AND KEY ISSUES

2.1 The Corporate Risk Register is a key output from the Council's Risk Management Policy. 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 Development of the Existing Register

2.2.1 A thorough review of the Council's key corporate risks was undertaken during April and May 2013 by the Chief Executive Strategy Group (CESG). Interviews with Group members considered 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.

2.2.2 The output from the interviews led to the creation of an initial list of significant risks which was further refined by CESG. For each risk information was gathered on the potential impact on the Council and the wider community, the steps being taken to address the risk and lead responsibility assigned to a Strategic Director or Director. This information was used to inform an initial view on the significance of each risk.

2.2.3 The draft Risk Register was presented to, and approved by, Cabinet on 23 May 2013.

## **2.3 The Review Process**

- 2.3.1 Governance arrangements for the Register require that it be formally reviewed each quarter. This task is undertaken by CESG and is informed by a report from the Risk & Insurance Officer which summarises new risks to be considered and significant movements in Directorate and Programme Risk Registers.
- 2.3.2 Quarter one review – considered an analysis of the risks in Directorate Service Plans highlighting those which had the potential to affect multiple objectives and individual risks which had been evaluated as very significant by the Directorate concerned. CESG took the view that these issues were adequately reflected in the existing Register and no new risks were added.
- 2.3.3 Quarter two review - CESG considered for possible inclusion in the Register issues raised by this Committee at its meeting on 10 June 2013 as well as a number of high impact operational risks. This resulted in the addition of seven further risks.
- 2.3.4 Quarter three review - scores were allocated to the seven new risks referred to above. The risk presented by the need to replace much of the Council's IT hardware and software within a short timescale and the limited staffing resources available to do this was recognised as being of corporate significance. As such this risk is being added to the Register and information on the actions required to mitigate it is being identified.

## **2.4 Next Steps**

- 2.4.1 The Risk & Insurance Officer's next quarterly report to CESG will be amended to give greater explanation as to the evaluation of high scoring directorate and programme risks and to include any specific action required of the Group to assist with their mitigation.
- 2.4.2 Individual directorates are currently refreshing their Risk Registers as part of the service planning process for 2014/15. Significant risks identified through this activity will be summarised for consideration by CESG at its next review as part of a refresh of the Corporate Risk Register.
- 2.4.3 When considering the Risk Management Policy at the last meeting of this Committee it was agreed that updated versions of the Register will be made available for future meetings of this Committee as part of regular reports on the Corporate Risk Register.

## **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 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 no implications arising directly from this report.

#### **7.0 RESOURCE IMPLICATIONS**

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 no implications arising directly from this report.

#### **9.0 EQUALITIES IMPLICATIONS**

9.1 There are no implications arising directly from this report.

#### **10.0 CARBON REDUCTION IMPLICATIONS**

10.1 There are no implications arising directly from this report.

#### **11.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS**

11.1 There are no implications arising directly from this report.

#### **12.0 RECOMMENDATIONS**

12.1 That Members consider the Corporate Risk Register.

12.2 That further reports on the Corporate Risk Register be brought to future meetings of this Committee.

#### **13.0 REASON FOR RECOMMENDATIONS**

13.1 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.

13.2 The provision of regular reports to this Committee on the Corporate Risk Register is a requirement of the Council's Corporate Risk Management Policy.

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## **APPENDIX**

Corporate Risk Register

## **SUBJECT HISTORY**

<b>Council Meeting</b>	<b>Date</b>
Cabinet	2 February 2012
Cabinet	23 May 2013
Audit & Risk Management Committee	10 June 2013
The Corporate Risk Register is also referred to in the Management of Insurance and Corporate Risk report presented to each meeting of the Audit Committee	