

WIRRAL COUNCIL

AUDIT & RISK MANAGEMENT COMMITTEE

25 NOVEMBER 2014

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

1.0 EXECUTIVE SUMMARY

- 1.1 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.
- 1.2 A key output from the Council's risk management framework is the Corporate Risk Register. To support this Committee's work in considering the effectiveness of the framework a report is now presented on a regular basis detailing the key risks facing the authority and how these are being managed.

2.0 BACKGROUND AND KEY ISSUES

- 2.1 The Corporate Risk Register 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 these 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 Existing Corporate Risks

- 2.2.1 The Corporate Risk Register presented to this Committee on 23 June 2014 contained 28 risks.

2.3 Review - Quarter Two 2014/15

- 2.3.1 Governance arrangements for the Register require that it be formally reviewed each quarter. The review is undertaken by the Chief Executive Strategy Group (CESG). This task is informed by a report from the Risk & Insurance Officer which summarises potential new risks for consideration and significant movements in Directorate and Programme Risk Registers and progress in tackling the existing corporate risks.
- 2.3.2 In line with its new terms of reference the Corporate Governance Group considered a draft of the Risk & Insurance Officer's report at its meeting on 15 October. The Group indicated that four matters were significant enough to warrant escalation to CESG. These were incorporated into an updated version.

2.3.3 CESG undertook the quarter two review at its meeting on 27 October 2014.

2.4 Report to CESG

2.4.1 Two risks in directorate registers were considered.

(i) **Potential over spend within the children's area of the Families & Wellbeing Directorate.**

The likelihood for this risk had been increased sharply in quarter two. However the scale of the potential over spend (£0.5m) together with the existing and further planned controls meant that the risk did not warrant addition to the Corporate Register.

(ii) **Withdrawal of support for the content management system within the Council's web-site in early 2015 could affect the site's security and effectiveness.**

The potential impact of this risk made it of corporate significance in the short term. Following a request for action plans are being developed for an early upgrade to the web-site.

2.4.2 Two potential new risks that are not reflected in directorate registers were also considered.

(i) **The forthcoming retirement of the existing Chief Executive could create a short term capacity problem and uncertainty about the Council's future strategic direction.**

Whilst this risk was added to the Corporate Risk Register it was recognised that there are significant controls in place to mitigate it.

(ii) **Capacity pressures with the Procurement Team could prevent the Council from delivering compliant procurement.**

This was recognised as a corporate risk and short term actions were agreed pending the conclusion of the consultation on the restructure.

2.4.3 An updated version of the information presented to this Committee on 17 September concerning the status of actions being taken to mitigate the existing corporate risks was reviewed. Most actions are progressing as planned and no change to the scores for the risks was warranted.

2.5 Next Steps

2.5.1 Updated information on progress in addressing the existing corporate risks will be collated to support the quarter 3 review of the Register.

2.5.2 Directorates will be asked to provide more detailed information on their most critical risks for consideration by the Corporate Governance Group.

2.5.3 The Quarter three review is expected to take place in January 2015.

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 OUTSTANDING PREVIOUSLY APPROVED ACTIONS

6.1 None.

7.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

7.1 None.

8.0 RESOURCE IMPLICATIONS: FINANCIAL; IT; STAFFING; AND ASSETS

8.1 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.

9.0 LEGAL IMPLICATIONS

9.1 There are none arising directly from this report.

10.0 EQUALITIES IMPLICATIONS

10.1 There are none arising directly from this report.

11.0 CARBON REDUCTION AND ENVIRONMENTAL IMPLICATIONS

11.1 There are none arising directly from this report.

12.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

12.1 There are none arising directly from this report.

13.0 RECOMMENDATIONS

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

14.0 REASONS FOR RECOMMENDATIONS

14.1 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.

14.2 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 Risks – 27 October 2014

BACKGROUND PAPERS/REFERENCE MATERIAL

Reports of the Risk and Insurance Officer – 23 October 2014
Agenda and minutes from the Chief Executive Strategy Group

SUBJECT HISTORY

Council Meeting	Date
Audit & Risk Management Committee	17 September 2014
Audit & Risk Management Committee	23 June 2014
Audit & Risk Management Committee	18 March 2014
Audit & Risk Management Committee	10 June 2013
Cabinet	23 May 2013