

## GOVERNANCE COMMITTEE

20 SEPTEMBER 2016

### REPORT OF HEAD OF CENTRAL SERVICES

#### ANNUAL REVIEW OF RISK MANAGEMENT

##### 1.0 PURPOSE OF REPORT

- 1.1 To update Members on the management of risk within the Council during 2015/16.

##### 2.0 RECOMMENDATIONS

- 2.2 **That the latest corporate risk register and associated risk management action plan, as attached at Appendix A be approved.**

##### 3.0 KEY ISSUES

- 3.1 The Council has maintained its focus on key risks throughout 2015/16. This is undertaken by Management Team through regular reporting and review of the corporate risk register and scrutiny of the service risks as previously contained within the service plans.
- 3.2 The risks contained in the service plans was the one element of the service plans that was reviewed and updated regularly in year within services in order to feed into the more strategic reviews by the Management Team. With the replacement of the service plans with the One Council Delivery and Development Plan the service risks are being maintained as a separate register within each service area.
- 3.3 Risk logs are also maintained as appropriate for individual projects by the Project Manager and would be reported to the Council's Programme Board through regular highlight reports as the need arises. This is one element of risk management the Management Team are looking to increase scrutiny off as part of the Programme Board meetings and the project appraisal system as a result of issues highlighted in the audit review of both capital projects and the leisure vision.
- 3.4 In line with this approach to classifying risks, the service risk registers were utilised to extract all those risks where this higher level of focus is required, and were then used to update the corporate risk register including an action plan for each risk. This exercise saw two changes since the annual report to this committee last September 2015:
- a reduction in risk number 3 regarding the risk to the increase in number of vulnerable families and individuals resulting from the impact of Welfare Reforms and long term sustainability of initiatives to tackle this. This has been reduced from B3 to C3. It is considered that due to the successful work the council has undertaken in this area that this risk could now be below the line and therefore no longer a corporate risk. However there is still much uncertainty regarding government reforms in this area and

therefore after consideration it has been assessed at a score that means it remains in the corporate register.

- An increase in risk number 2 regarding the risk of achieving a balanced budget as a result of government funding cuts without resulting in significant cuts in service provision. This has been increased from B3 to A3. This is due to the significant funding gap set out in the Council's Medium Term Financial Strategy and the potential future implications of further reforms to local government finance, the implications of which are unknown at this stage. The council has made good progress in addressing this through the draft Efficiency Plan however until these are realised the risk remains.

3.5 The Council's insurance provider ZM supply to the Council training and consultancy support days on Risk Management as part of the insurance contract which runs from June each year. For the 2015/16 year they delivered training and support in the following area:

- Risk Management Training to Members – Training was provided to members of this committee on risk management to enable the committee to perform their role with regard to consideration of the council's risk management arrangements.
- Caretakers fire and security awareness seminar
- Customer insurance training – training for member of staff new to the role of insurance

#### 4.0 **POLICY AND CORPORATE IMPLICATIONS**

4.1 The risk management process is guided by the Council's Risk Management Policy and Strategy.

#### 5.0 **FINANCIAL AND OTHER RESOURCE IMPLICATIONS**

5.1 There are financial implications from poor Risk Management however, with robust procedures these should be minimised or eradicated.

#### 6.0 **LEGAL IMPLICATIONS/POWERS**

6.1 Failure to adequately address Legal issues arising from any activity of the Council increases risk. Officers endeavour to ensure Members are adequately advised and projects properly implemented to ensure that Legal requirements are met.

#### 7.0 **COMMUNITY SAFETY**

7.1 There are no particular implications arising from this report.

## 8.0 **EQUALITIES**

8.1 There are no particular equalities issues arising as a result of this report.

## 9.0 **RISKS**

9.1 There are all dealt with within the report.

## 10.0 **CLIMATE CHANGE**

10.1 There are no particular implications arising from this report.

## 11.0 **CONSULTATION**

11.1 The Lead member for risk has been consulted on the risk register and associated action plans prior to this meeting.

## 12.0 **WARDS AFFECTED**

12.1 All

Contact Officer      Dawn Garton  
Date:                      29.8.16

Appendices :            A (i) – Corporate Risk Matrix  
                              A (ii) - Corporate Risk Register and Action Plan: Melton Borough Council  
Background Papers:    Corporate Risk Register Monitoring Template  
                              Service plans 2015/16 and service risk template for 2016/17  
                              Risk Management Policy and Strategy.

Reference :              X:\Cttee, Council & Sub Cttees\Governance\201617\200916