

Southend-on-Sea Borough Council

Report of Chief Executive and Town Clerk
To

Audit Committee

On

19th June 2013

Report prepared by: Tim MacGregor, Senior Policy Advisor

Agenda
Item No.

2013-14 Corporate Risk Register

Executive Councillor – Councillor Moring

A Part 1 Public Agenda Item

1 Purpose of Report

1.1 To agree the 2013/14 Corporate Risk Register.

2 Recommendations

2.1 **That the 2013/14 Corporate Risk Register is agreed.**

3 Background

3.1 Corporate Risk Register 2013/14

3.1.1 The Council's Corporate Risk Register sets out the key risks to the successful delivery of the Council's corporate aims and priorities and outlines the key controls and actions to mitigate and reduce risks, or maximise opportunities.

3.1.2 The Corporate Risk Register has been refreshed to reflect the challenges for 2013/14 and is attached at **Appendix 1**.

3.1.3 A number of risks continue from the 2012/13 register, with controls, actions and scores reviewed for the coming year. These are risks on:

- In year overspend
- Staff engagement
- Reputational damage from budget savings
- Business continuity
- Financial implications of Government policy
- Impact of health service reforms
- Stalled regeneration and
- Police and Crime Commissioner

Additional risks have been added, in relation to:

- Shoebury Common Flood Defence
- School Inspection Regime and
- Service Reviews
- The Forum (up until completion)

The risk relating to information management systems has been removed from the Corporate Risk Register following the Information Commissioner's Office audit in November 2012 and development and implementation of the related action plan.

3.1.4 The format for the Corporate Risk Register follows a 3 stage process:

1st stage: An 'inherent score' with the risk assessed with no controls, assurance or actions in place.

2nd stage: The 'current score' where the risk is assessed with controls, assurances and progress against identified actions. The current score is adjusted in light of progress against actions.

3rd stage: The target score which is the risk with the controls, assurances and actions, as if they have been completed

The current score is then adjusted in light of progress against actions.

3.1.5 Updates on the Corporate Risk Register will be reported to CMT quarterly and to Audit Committee every 6 months.

3.1.6 Corporate Directors ensure service specific risks are managed within their Departments, within service plans and in accordance with the Risk Management Strategy and processes. 'Red' rated risks with corporate implications can be escalated to CMT via Corporate Directors. Actions for all these risks are updated and managed by the Department risk leads and reviewed at Departmental Management Team meetings.

3.1.7 Operational risks, managed within Departments, are also assessed as part of reviews undertaken by Internal Audit and Project risks are monitored by the Corporate Delivery Board where applicable.

4 Corporate Implications

4.1 Contribution to Council's Vision & Corporate Priorities

The Corporate Risk Framework underpins the operational effectiveness of the Council's Corporate Governance arrangements and specifically monitors progress of managing key risks associated with the successful delivery of Corporate Aims and Priorities.

4.2 Financial Implications

Any financial implications arising from identifying and managing risk will be considered through the normal financial management processes. Proactively

managing risk can result in reduced costs to the Council by reducing exposure to potential loss.

4.3 Legal Implications

The Accounts and Audit Regulations 2003 require that:

The relevant body shall be responsible for ensuring that the financial management of the body is adequate and effective and that the body has a sound system of internal control which facilitates the effective exercise of that body's function and which includes the arrangements for the management of risk.

4.4 People Implications

Any people and property implications arising from identifying and managing risk will be considered through the Council's normal business management processes.

4.5 Property Implications

None specific

4.6 Consultation

Consultation has taken place with key stakeholders.

4.7 Equalities Implications

Corporate Equalities considerations have been considered in the drafting of the Register and any specific equality related risks have been identified for the Council.

4.8 Risk Assessment

Failure to implement a robust assurance framework which includes fit for purpose risk management arrangements increases the risk that Council objectives will not be delivered.

4.9 Value for Money

Effective forecasting and timely management of risk is a key factor in preventing waste, inefficiency and unnecessary or unplanned use of resource.

4.10 Community Safety Implications

None specific

4.11 Environmental Impact

None specific.

5 Appendices

Appendix 1 - Corporate Assurance Risk Register 2013/14